

FBIS

DAILY REPORT

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PAPAL ENVOY IN BUENOS AIRES TO DISCUSS BEAGLE CONFLICT

Report on Arrival

PY261428Y Buenos Aires TELAM in Spanish 1410 GMT 26 Dec 78 PY

[Text] Buenos Aires, 26 Dec (TELAM)--Cardinal Antonio Samore, the special envoy of Pope John Paul II, who has been commissioned to pursue the Argentine-Chilean negotiations regarding the border dispute, arrived in our country at 1108 from Rio de Janeiro, the last stopover of his flight which began yesterday in Rome. According to a report, the pope's envoy in this initial stage of his mission will obtain information from the two disputing parties and will return to the Vatican to report on all aspects of the situation to the pope. Samore was met by Msgr Pio Laghi, the apostolic nuncio, air force Col Nestor Royo, the airport chief; and officials of the Foreign Ministry.

Samore Not 'Mediator'

PY261506Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1439 GMT 26 Dec 78 PY

[Text] Buenos Aires, 26 Dec (NA)--Cardinal Antonio Samore today rejected the possibility of his being an "arbitrator or mediator" in the dispute between Argentina and Chile regarding delimitation in the southern area and said that he was only "someone who has come to offer his good offices" in seeking a solution. Answering a question by a Chilean reporter, he indicated that he has not planned to visit the Beagle Channel. Answering another question, he indicated that he has no idea as to how long his current mission will take. "Maybe 10 days" or maybe "I will have to return again."

Cardinal Samore Comments Further

PY261837Y Buenos Aires TELAM in Spanish 1526 GMT 26 Dec 78 PY

[Excerpts] Buenos Aires, 26 Dec (TELAM)--Upon his arrival at the Ezeiza airport, the pope's special envoy Cardinal Antonio Samore expressed his confidence in the success of his good will mission on behalf of Pope John Paul II to look into the Chilean-Argentine dispute over the Beagle Channel. He said that his confidence stemmed from the fact that his mission got underway yesterday on Christmas Day, the birthday of Christ, which he considered a good sign.

Asked if he came with any preconceived idea, Cardinal Samore replied that he did not. Our wish is to bring the two countries to an understanding and the first objective is to obtain information; then, the second objective is to examine in conjunction with the two governments if there is any possibility for a peaceful and honest understanding.

Asked if he had knowledge of the principle of oceanic division, he smilingly replied: "I have read all the treaties, documents, the latest notes and recent communiques, but I have no preconceived idea as to doing this or that. The first thing to do is to listen, hear, have a grasp of the question and then we will see."

Cardinal Samore added: "I believe that the Holy See has to talk to Argentina and Chile separately, then talk with both countries together to agree on common procedures, when and where to meet, and to establish a program; I do not exactly know. It is difficult to say how many days will be spent in setting up these meetings.

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ARGENTINA

"I know that the Argentines and the Chileans are very Catholic people, that they are praying to God, and I trust in their prayers. There is very little that I personally can do, but God can do it all."

Videla, Samore Hold Meeting

FY262303Y Buenos Aires TELAM in Spanish 2250 GMT 26 Dec 78 PY

[Text] Buenos Aires, 26 Dec (TELAM)--The formal meeting which Cardinal Antonio Samore held with President Videla at government house today ended at 1935. The meeting began at 1900 and was attended by Foreign Minister Carlos Washington Pastor and advisers of the pope's envoy.

LAMBRUSCHINI: SAMORE MISSION 'LAST CHANCE' FOR PEACE

FY261816Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1115 GMT 26 Dec 78 PY

[Excerpts] Ushuaia, 26 Dec (NA)--Navy Commander in Chief Adm Armando Lambruschini said that the mission which Cardinal Antonio Samore began today "is the last chance" in the search for a peaceful solution for the border dispute between Argentina and Chile. Lambruschini added: "The positions have already been taken and so patience is called for in this regard." He then explained that Cardinal Samore does not come "as a mediator," but as "an envoy to present claims to the pope." Finally he said that finding a solution for this conflict "is a must."

PEACE DEMONSTRATION HELD OUTSIDE NUNCIATURE

FY270046Y Paris AFP in Spanish 2337 GMT 26 Dec 78 PY

[Excerpts] Buenos Aires, 26 Dec (AFP)--More than 2,000 persons congregated here tonight in front of the nunciature carrying placards calling for peace and showing support for the mediation mission of papal envoy Cardinal Antonio Samore.

No to war, yes to peace and peace is possible were the slogans of those attending the impromptu meeting. Most of those present were youths belonging to Argentine Catholic Action [Accion Catolica Argentina] and Catholic Working Youths [Juventud Obrera Catolica].

Other youths also arrived bearing Argentine and Chilean flags on one flag pole, as well as the Vatican's flag. Their chants included: Argentina and Chile, one heart.

MILITARY COMMITTEE MEETS TO 'ANALYZE' DISPUTE WITH CHILE

FY261444Y Buenos Aires TELAM in Spanish 1428 GMT 26 Dec 78 PY

[Text] Buenos Aires, 26 Dec (TELAM)--The Military Committee began its meeting a few minutes after 1100 in the Condor building, air force headquarters. President Jorge Rafael Videla, army commander Gen Roberto Viola, navy commander Adm Armando Lambruschini and air force commander Gen Orlando Agosti are participating in the meeting. Also participating are the three armed forces general secretaries: army Brig Gen Reynaldo Bignone, navy Vice Adm Eduardo Fracassi, air force Maj Gen Basilio Lami Dozo, and Chief of the Joint Staff air force Maj Gen Pablo Apella.

The Military Committee will continue to analyze the dispute with Chile and will study the task to be carried out by Cardinal Antonio Samore, the pope's special envoy, reported air force headquarters.

SOVIET AMBASSADOR NOTES USSR-ARGENTINE TRADE INCREASE

PY270041Y Buenos Aires CLARIN in Spanish 24 Dec 78 p 14 PY

[Text] "The volume of trade between Argentina and the Soviet Union totaled \$286 million in 1977, and will reach \$453 million in 1978," according to the Soviet ambassador in Buenos Aires, Sergey Striganov, who was the special guest at a dinner organized by the Argentine-Soviet chamber of commerce.

The ambassador pointed out that trade between the two nations does have one weak point: While Argentine exports in 1977 reached \$267 million, Soviet exports reached only \$18.7 million. During the last 4 years, he added, the balance of bilateral trade favored Argentina by about \$248 million.

In mentioning the broader aspects of economic relations between the two nations, Ambassador Striganov emphasized Soviet cooperation in the construction of local power plants, such as the Salto Grande dam.

The Soviet ambassador also mentioned the subject of his country's global foreign trade, emphasizing that during the last 4-year period their foreign trade increased fourfold, especially in the area of trade with West European nations. Ambassador Striganov stated: "Half of the Soviet Union's trade volume in 1977 equaled that of eight members of the Council for Mutual Economic Assistance [COMECON]."

With respect to COMECON, the ambassador stated that trade with them last year surpassed 91 billion rubles. He added that during the first years of the organization's existence, it grouped only seven socialist countries. Afterward, others such as Mongolia, Cuba and, more recently, Vietnam joined the group.

VIDELA GIVEN PETITION FROM RELATIVES OF MISSING PERSONS

PY231857Y Buenos Aires CRONICA in Spanish 22 Dec 78 p 4 PY

[Text] A document bearing 37,000 signatures by individuals and charity organizations, entitled "For a Christmas with Peace and Justice," was delivered to the president yesterday by a commission of representatives of the Permanent Human Rights Assembly and relatives of missing persons. At the same time, a demonstration by about 400 people, most of them women, gathered in the Plaza de Mayo at 1500, as has occurred every Thursday for many months.

The document demands from the authorities the clarification of the situation of the missing persons and those in detention at the disposal of the executive branch or any other authority, asking that "those who are accused of a crime" be tried under due process.

At the hour mentioned above, the women began to gather in front of the Mayo Pyramid, while a delegation from the Permanent Human Rights Assembly entered government house to hand over the petition. The rally silently approached General Belgrano's statue and sang the national anthem.

Shortly afterward, a Casa Rosada employee approached the rally and invited a commission to go to the presidency, where they would be received by "an official." The commission was headed by Mrs Alicia Moreau de Justo, a veteran leader of the Socialist Party.

BANZER PLACED IN ACTIVE RESERVE; RETIREMENT FORESEEN

PY262327Y Buenos Aires CLARIN in Spanish 26 Dec 78 p 18 FY

[Excerpts] La Paz, 25 Dec--Former President Hugo Banzer Suarez passed to the armed forces' active reserve--a step prior to retirement--according to the army's general promotions order. Four other generals were passed to the active reserve along with Banzer for the same reason: All had fulfilled more than 30 years in the institution's active service.

In the next few days, the general postings order will be disclosed. This will contain the new functions of former President Juan Pereda, who retains the rank of major general in the air force. Pereda left a few days ago for the United States to undergo medical treatment and said before leaving that he would withdraw from political activities.

However, former President Banzer continues to be the center of political interest in conservative sectors. He has already been proclaimed as a candidate for the July elections and has been designated the leader of "nationalism." Yesterday, rumors circulated here about Banzer's alleged detention by the government's security forces, but it was not confirmed.

NO TROOP MOVEMENTS ORDERED DUE TO BEAGLE CONFLICT

PY270129Y Paris AFP in Spanish 2218 GMT 26 Dec 78 FY

[Text] La Paz, 26 Dec (AFP)--It was reported here today that Bolivian military commanders have not ordered any troop mobilizations toward border areas as a result of the Argentine-Chilean border dispute in the Beagle Channel area.

A military source indicated that there is no reason for a special troop displacement to be ordered. The spokesman declined to give more details, repeating that the president, General David Padilla, has placed emphasis on the Bolivian nation's vocation for national and international peace, and its desire that all negotiations now underway end successfully.

PLANNING MINISTER SEES 'NEGATIVE EFFECT' FROM OPEC HIKE

PY270140Y La Paz Radio Panamericana Network in Spanish 0000 GMT 27 Dec 78 FY

[Excerpts] Planning and Coordination Minister Lt Col Gary Prado Salmon stated that the oil price increase decreed by the OPEC will have a negative effect on several sectors of the national economy in 1979. He indicated that his ministry is currently evaluating these effects which will be taken into account by the operations plan for 1979. Col Gary Prado emphasized the effects which the OPEC price increase will have on the nation's economy in the near future.

[Begin Prado Salmon recording] There is no doubt that there will be effects because the freight cost of foreign articles and the costs of technology will be higher in the future as OPEC's decision will affect both developed and developing countries. This is something which is being taken into account by our plan of operations for 1979; we are taking into account the cost increase of our imports. [end recording]

BRIEFS

DANISH LOAN--La Paz, 22 Dec (LATIN)--Bolivia and Denmark have signed an agreement by which the Danish Government will grant a loan of \$10 million to Bolivia to develop its dairy industry. [Buenos Aires LATIN in Spanish 0445 GMT 22 Dec 78 PY]

NEW ARMY, AIR FORCE, NAVY MINISTERS REPORTEDLY CHOSEN

FY230117Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Dec 78 p 4 PY

[Excerpts] The nation's future president has already chosen Gen Walter Pires de Carvalho Albuquerque as army minister, Gen Delio Jardim de Matos as air force minister, and Adm Maximiano Eduardo da Silva Fonseca as navy minister.

General Carvalho Albuquerque, who is currently chief of the War Materiel Department of the Army Ministry, enjoys the personal friendship of General Figueiredo, has similar views and has been closely connected with the revolutionary process. General Jardim de Matos is currently minister of the Superior Military Tribunal and has been instrumental in connecting General Figueiredo with the political sector. Admiral Silva Fonseca is also a personal friend of General Figueiredo and enjoys his full confidence.

FIGUEIREDO TO GIVE ALCOHOL PRODUCTION HIGH PRIORITY

FY221222Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 22 Dec 78 PY

[Text] General Joao Baptista Figueiredo is very interested in developing the national alcohol program, and even intends to give the project priority importance. The information was disclosed by Samuel Calmon de Sa, the minister of industry and commerce, who has just presented the president-elect with a report on activities in his ministry.

Brazil will save about \$450 million in oil imports next year. This will be possible with the increase in alcohol production foreseen from the 1979-80 harvest, which is estimated to reach 3-4 billion liters of alcohol. This represents the equivalent of 20 millions barrels of oil. This data was revealed by the minister during a 3-hour meeting with the president-elect.

AZEREDO ISSUES STRONG DEFENSE OF NUCLEAR PROGRAM

FY221325Y Buenos Aires LATIN in Spanish 1278 GMT 22 Dec 78 PY

[Text] Brasilia, 21 Dec (LATIN)--Foreign Minister Antonio Azeredo da Silveira today emphatically defended the Brazilian nuclear program, saying that it is irreversible and unassailable. He also denounced a campaign of interests against this program, but he did not specify where it came from.

Asked whether the nuclear agreement Brazil signed with the FRG would be able to withstand the attacks which are being launched against it within the country through claims of "irregularities," Azeredo da Silveira stated that "if I were here (in the future), I would resist to the last centimeter of my being."

"Now, I cannot speak for others. Until March (the month during which the change of government will take place), you can be sure that nothing will be modified," he replied to the journalist who queried him on this.

He expressed his hope that Gen Joao Baptista Figueiredo, the nation's future president, "will not draw back one single millimeter" in the Brazilian nuclear program. The foreign minister added: "I believe there is no reason to draw back...this alternative has to be protected."

SIX NEW MINISTERS SWORN IN AT GOVERNMENT HOUSE

PY261607Y Santiago Chile Domestic Service in Spanish 1600 GMT 26 Dec 78 FY

[Text] Santiago, Chile, 26 Dec--It was officially reported here today that six new ministers have been sworn in as members of the Cabinet of the Chilean military government. The swearing-in ceremony was held at the Diego Portales building (government house) with the attendance of President Augusto Pinochet.

The cabinet changes are as follows: Economy: Roberto Kelly replaces Pablo Baraona; Labor: Jose Pinera Jr replaces Vasco Costa; Housing: Gen Jaime Estrada (ret) replaces Edmundo Ruiz; Education: Gonzalo Vial replaces Rear Adm Luis Niemann; Mining: Capt Roberto Quinonez replaces Enrique Valenzuela; National Planning Office [ODEPLAN]: Miguel Cast replaces Roberto Kelly.

Report on Cabinet Reshuffle

FY262317Y Buenos Aires LATIN in Spanish 1949 GMT 26 Dec 78 FY

[Excerpts] Santiago, Chile, 26 Dec (LATIN)--President Augusto Pinochet today reshuffled the Chilean Cabinet with the apparent purpose of introducing changes in the labor policy by appointing Jose Pinera, a young economist, as labor minister. Pinera, who is 30, will have to take measures to cope with the commercial boycott decreed against Chile by the Inter-American Regional Labor Organization (ORIT) and by the U.S. AFL-CIO.

Before administering the oath of office to the new members of his cabinet, Pinochet said that he accepted the resignations of six ministers who asked to be relieved from their posts for health and personal reasons. Pinochet made it clear that the ministerial reorganization will not result in any change in the free market economic policy which is now in force in the country.

He stated that the cabinet changes will in no way distort the guidelines outlined by the government to pave the way for the return to power by the civilian sector upon completion of the stages which will conclude in 1985 or 1986.

Speaking to cabinet members at the swearing-in ceremony, Pinochet said: Therefore, we will not return to the past. We will continue on the road traced by our economic, political and social plans with the typical strength and determination of a healthy government, which is free from partisan ambitions.

After the ceremony, Pinera told the press that the future of the Chilean workers is closely related to the country's economy and that the fruits of progress must be equitably distributed.

Regarding the commercial boycott decreed against Chile--a measure which also affects the governments of Nicaragua and Cuba--the new labor minister said: We are not afraid of moving forward as much as necessary to both achieve and establish a new institutional labor system.

The new economy minister, Roberto Kelly, said that he will follow the general guidelines of the policy applied by his predecessor, Pablo Baraona.

Kelly added that he will emphasize the need to improve the distribution of real income, to reduce the inflationary rate and to apply measures designed to create more jobs.

CUBILLOS VOICES 'SATISFACTION' OVER PAPAL MEDIATION

PY2623571 Buenos Aires LATIN in Spanish 2014 GMT 26 Dec 78 PY

[Text] Santiago, Chile 26 Dec (LATIN)--Chilean Foreign Relations Minister Hernan Cubillos stated here today that Chile receives with "true satisfaction and without reservations" the pope's envoy who, Cubillos said, will attempt to mediate in the southern border conflict between Chile and Argentina.

In response to journalists' questions, Cubillos stated that Cardinal Antonio Samore will try to find points of rapprochement between the two parties. "This is the beginning of an attempt at mediation which Chile has always accepted. However, it seems that press reports from Argentina try to give a different impression," said the Chilean foreign minister. He added: "In any case, we accept this mediation with true satisfaction and without reservations."

Cubillos refrained from discussing the future steps which Chile might take in search for an agreement with Argentina in order to establish the jurisdictions in the southern seas. "For the time being we are carrying out intense diplomatic negotiations, and within this framework we will give the holy father's envoy a maximum of elbowroom," emphasized Cubillos.

The foreign minister indicated that Samore's trip to Argentina and Chile has resulted in a relaxation between the two countries. Cubillos indicated that the arrest of many Chileans in Neuquen and Paso de Payehue are cases which "embitter and hurt us," and added that strong diplomatic efforts are being made to solve these incidents. Among the persons arrested is former Senator Raul Morales Adriaola.

SANTIAGO'S APOSTOLIC NUNCIO COMMENTS ON PEACE MISSION

PY262336Y Buenos Aires TELAM in Spanish 1715 GMT 26 Dec 78 PY

[Excerpts] Santiago, Chile, 26 Dec (TELAM-ANSA)--Although confident in the success of the peace mission which the pope's special envoy, Cardinal Antonio Samore, will carry out in Chile and Argentina, the apostolic nuncio in Santiago, Msgr Angelo Sodano, warned that no one can perform miracles, in an obvious call for cooperation from the governments of Chile and Argentina to make the Vatican peace mission successful. With regard to the chances of success for this peace mission, Monsignor Sodano indicated that nothing can be left to chance in educating peoples for peace: "New bricks must be added all the time so as to build the peace little by little. No one can perform miracles in this world and no one can expect a complete solution. However, if there is cooperation we will be able to build peace, little by little."

MERINO DELIVERS 'BELLICOSE' CHRISTMAS MESSAGE

PY252346Y Buenos Aires TELAM in Spanish 1900 GMT 25 Dec 78 PY

[Text] Buenos Aires, 25 Dec (TELAM)--Showing that he is not inclined to promote Christian peace--not even on this day on which peace is exulted as a supreme good--Adm Jose Merino, member of the Chilean military junta and commander of the Chilean Navy, has said in a Christmas message to navy personnel that this Christmas and New Year's "will be marked by a vigilant attention to defend our soil." Using a high-pitched tone, Merino stated last Friday that all Chilean naval units are in the south, that is, in the disputed zone which is darkened by a threat to restrict Argentine sovereignty over the Atlantic Ocean.

While Christmas Eve's midnight services were being held last night, the member of the Chilean military junta was saying that in some parts of the world Christmas Eve will be marked by the sounds of machineguns, destruction and hatred, instead of coexistence. He added: Instead, this Christmas and New Year's will be marked by our vigilant attention to defend the soil of the fatherland. Our training as sailors toughened through sacrifice will help us overcome this new trial, which we will face with patriotism and loyalty to the cause of Chile.

Merino made this high-pitched, bellicose statement at the very moment in which papal envoy Msgr Antonio Samore was getting ready to come on a good will trip to promote peace.

AMBASSADOR TO PERU RETURNS TO BRIEF CUBILLOS

PY270146Y Buenos Aires LATIN in Spanish 0131 GMT 27 Dec 78 PY

[Text] Santiago, Chile, 26 Dec (LATIN)--The Chilean ambassador to Peru, Francisco Bulnes Sanfuentes, arrived here today. The diplomat will meet tomorrow with Foreign Affairs Minister Hernan Cubillos in order to brief him on his diplomatic activities in that country.

COURT REJECTS PROVISIONAL RELEASE FOR CONTRERAS, ESPINOZA

PY262042Y Paris AFP in Spanish 1824 GMT 26 Dec 78 PY

[Excerpt] Santiago, Chile, 26 Dec (AFP)--It was reported here today that the Chilean Supreme Court has turned down a petition for the provisional release of Gen Manuel Contreras and Col Pedro Espinoza, who were both indicted by a U.S. court in relation to the Letelier case. Lawyer Sergio Miranda Carrington submitted this petition to Justice Borques last Friday.

In his decision, the president of the Supreme Court states the court has ruled that the preventive arrest of these persons is absolutely necessary for the investigations and proceedings of this case.

COMMENTATOR ASSAILS ARGENTINE INTRANSIGENCE ON BEAGLE ISSUE

PY221738Y Santiago Chile Domestic Service in Spanish 1045 GMT 22 Dec 78 PY

[Rafael Pisainer commentary]

[Excerpts] Urgent: Psychiatrist needed to attend the Chilean-Argentine dispute. Everything is very simple. No one understands anything about the issue after Argentina made public its new position yesterday at noon. It turns out, ladies and gentlemen, that Argentina does not want the Beagle decision since it rejected it, does not want a mediation and does not want to appeal to the International Court at the Hague.

We ask ourselves, then, what does Argentina want? We have a clear idea of what Argentina wants but the problem is that we are not inclined to give it up so easily. The Christmas spirit within our hearts is no excuse to give up Chilean territory.

Everything is even more complicated because there are no guidelines or logic in the negotiations or dialog with Argentina. Making a brief review of this situation, we can see that first, Argentina spent 60 years stating that the Beagle Islands belonged to Argentina; after so many years of insisting, and since Chile was certain of its rights, both parties agreed to appeal to an authorized judge, the British Crown.

It took 6 years of study to confirm what Chileans have known ever since Chile became an independent nation: The Beagle Islands belonged to Chile, as are all positions south of the Beagle Channel. Argentina rejected the Beagle decision; it was declared null despite the fact it was requested by Argentina, that is, the decision did not solve the issue. After 6 months of unfruitful bilateral negotiations, Chile proposed the mediation of a third country. Argentina accepted this mediation at first and suggested the Holy See as mediator. Chile agreed with this. But as this mediation is about to become ineffective, Argentina agrees to have the pope as mediator but only after Chile and Argentina settle on a definite proposal. Perhaps all they wanted was the pope's blessings. In view of this situation, mediation was obviously discarded. But despite this, Chile insisted 48 hours ago on the mediation by stating that it was willing to accept a mediation, which is a Chilean proposal, and to accept the pope as mediator. Argentina answered this proposal yesterday, in a note which we believe was addressed to another country because it has no relevance at all to Chile, stating that Chile's intransigent position obstructed any agreement. Furthermore, rumors in Buenos Aires state that if Chile appeals to the International Court at The Hague, Argentina will consider this an unfriendly action.

This is what defines this case as one suitable for a psychiatrist since both Chile and Argentina are obliged to appeal to the International Court because Argentina requested this in 1972 and because Chile accepted this.

To summarize, Argentina says no to the British court decision, no to mediation and no to the obligatory arbitration of the International Court. It seems the only way out is armed robbery, to let ourselves be stripped of everything we own with a smile on our faces. But since no one has ever done this to Chile, nor is Chile going to accept this, the present situation is not what we can call a peaceful nativity scene--quite the contrary.

But Chileans are so calm that on the other side of the border the government house should realize that if after several months speaking in strident voices, of upholding threatening attitudes and of openly suggesting the possibility of a war, Chile has not varied its position, that this system is not yielding positive results and that it would be more convenient and useful to seek an agreement on the demarcation of maritime spaces, which is the only issue to be settled in the southern region since the Beagle issue is already settled and it is a valid, obligatory and already fulfilled decision.

But this is their present position: No to the British Crown decision, no to the pope's mediation, no to the International Court; but perhaps yes to armed robbery. This is a gloomy question at this time of the year, but a real one which has an obvious answer.

There is in all this a chorus of strident Argentine voices which are most contradictory because yesterday Argentina charged that Chile--yes, you'd better listen closely because this is true--is preparing for war and stockpiling weapons in the Wollaston, Picton, Nueva and Lennox Islands and Cape Horn.

If this is true, we had no idea we needed Argentina's permission to station military detachments in Chilean territory. Because if this continues, we will soon have to request Argentine permission to fire the cannon atop Santa Lucia Hill in Santiago which announces the hour.

Gen Orlando Agosti, Argentine Air Force Commander, has stated that the time for words is running out. There is an obvious, implicit threat in this statement. Moreover, good old Gen Luciano Menendez, XII Corps commander, said yesterday that Argentina is a pacifist country which has never started a war but which has won all the wars it was forced to fight. God help us then because this would be a confrontation between two unconquered nations; Chile has never lost a war either.

There is, however, a slight difference. The last war Argentina was involved in was the so-called Triple Alliance War, 1864-1870. Argentina needed 6 years and the help of Uruguay and Brazil to conquer the Paraguayans. The Paraguayan people fought heroically. They had 500,000 casualties in 6 years and 9 out of 10 Paraguayans died. A total of 50 percent of the Paraguayan people were killed during this war. Argentina with the help of Brazil and Uruguay against Paraguay: A war no one can be proud of because honor and glory are certainly on the side of Paraguay.

But since Argentina says it won all those wars it was forced to fight, well, I repeat, Chile has never lost one either despite the fact we unfortunately had to confront two adversaries at the same time. And it was not an encounter of three to one and against a small adversary at that. Chile had to confront two equals and we won both times.

God help us then if there is a war because it will be a confrontation between two unconquered nations.

We are not impressed by those high-sounding voices or by the prepotence used as a negotiating strategy because in the long run the international community, which is closely following and studying this issue, is aware that Chile has proposed solution after solution and that it has been Argentina which has rejected the British court decision, the mediation, and the International Court, and which believes, thus showing they know us very little, that Chile will hand over its possessions only because somebody alleges to have a gun to threaten us with.

All this, ladies and gentlemen, comprises a very unfortunate situation because Chile has never had a problem with the Argentine people. In fact the Argentine people have no problem with Chile since only certain Argentine sectors are encouraging this situation. When a nation is told that it will have a 60-percent inflation rate but instead has a 180-percent inflation rate, there are sectors which believe that the magic formula to solve this situation is to beat drums, raise flags and raise a smokescreen over those problems affecting people's stomachs. This is sad but it is the real situation Argentina is experiencing today.

Furthermore, to show you what the international feeling is in this situation, here is some very important news: Oil companies are the hardest negotiators. They proceed based on facts because they obtain fantastic profits, particularly now that oil is the highest-priced nonrenewable natural resource. Yesterday, three U.S. companies signed contracts with the Chilean Government for exploration on the continental shelf in Cape Horn because, after studying all details, they concluded that the entire area belonged to Chile. This is why Phillips Petroleum, Atlantic-Richfield, better known as Arco, and the [name indistinct] corporation signed a contract with the Chilean national oil enterprise for the exploration of oil on the Chilean continental shelf south of Cape Horn. If Yankee oil companies do not know who the rightful owner of this land is they would abstain from this operation. Therefore, Chile has support, even in the commercial field.

I repeat that Chile has no problems with the Argentine people and that they have no problems with us. We should start pointing out those who in Argentina believe that force prevails.

May Chile and Argentina have a merry Christmas and may they have peace in 1979 by beginning the year in peace.

NEW GOVERNMENT MINISTER OUTLINES POLICIES

PA222307Y Quito Voz de los Andes in Spanish 1230 GMT 22 Dec 78 PA

[Text] In his first statements to the national press, new Government Minister Rear Adm Victor Garces Pozo reaffirmed his determination to fulfill the objectives of the armed forces government, especially concerning its principal objective, that is, the fulfillment of the state's legal reorganization plan. At the same time, he offered complete freedom to the people and unrestricted respect for human rights and freedom of expression. The new government minister said that the Supreme Council of Government has decided to issue instructions for a complete and prompt investigation to solve the murder of Abdon Calderon Munoz. This is what the new government minister said:

[Begin recording] As the state's political restructuring plan is one of the armed forces government's main political objectives, I shall make all the necessary efforts so that this plan will be fulfilled in accordance with the established terms, with which the citizenry is already familiar.

This juridical restructuring process, promoted even during my period as secretary general of public administration, could not have reached the current stage without a policy of peace and order. With this in mind, my ministry will exhaust all the legal means at its disposal to maintain this peace, order and tranquillity, which constitute the essential framework for the national political process and the country's development.

The Supreme Council of Government has also entrusted me with the maintenance of the following policies: Total freedom for the citizens within a legal framework; unrestricted respect for human rights, freedom of expression and information; and an efficient administration of justice. In accordance with this last concept, I have received special instructions from the Supreme Council of Government so that the crime committed against economist Abdon Calderon Munoz will be totally resolved as soon as possible in order to place the assassins, accomplices and concealers implicated in this despicable crime in the hands of national justice.

To this end, my ministry will carry out arduous work, resorting to all the means at its disposal. But it is necessary to ask all citizens to cooperate with determination and due calmness. The communications media are also asked to cooperate directly and to be prudent so that the investigative process can continue its normal course without undue pressures to obtain scoops which might bring to light information that could hinder police activities.

I will do everything I can to improve the police institution. Although it has already achieved a high level of development, it has to project itself more toward the country so that, duly equipped and with technical advances and professional training, it may become an insurmountable bastion of the country's internal security.

I would like to avail myself of this opportunity to thank all of you gentlemen of the press who with dignity, responsibility and professionalism have closely followed my activities as secretary general of public administration. In regard to my future activities of the Government Ministry--which will always be open to all of you and your communications media--I ask you for the same cooperation that I have received so far. [end recording]

Government Minister Rear Adm Victor Hugo Garces said last night that police protection for Ecuadorean politicians is important and advisable, suggesting that such protection is being contemplated for those interested in it. It was noted that protection is particularly necessary for those politicians who engage in special actions. This sometimes elicits a violent reaction against them from certain individuals. According to the government minister, his ministry will always be ready to protect these politicians.

HAYA DE LA TORRE REPORTEDLY HAD HEART ATTACK 8 DEC

PA192039Y Paris AFP in Spanish 1910 GMT 19 Dec 78 PA

[Text] Lima, 19 Dec (AFP)--CARETAS magazine says here today that the head of the Peruvian APRA [American Revolutionary Popular Alliance] party, Victor Raul Haya de la Torre, had a heart attack on 8 December. Much was said and written last week about the health of the politician, who is the president of the constituent assembly, but APRA spokesmen asserted that Haya de la Torre was only tired.

During last Tuesday's plenary session, Haya de la Torre caused some unhappiness in his party and in the Popular Christian Party [PPC] because he suddenly suspended the session when a PPC representative was about to speak. CARETAS, which is generally well informed, writes that on Friday Haya de la Torre left his party's central headquarters early because he felt ill. "But at 0200 on Saturday (9 December) he had a cardiac and respiratory crisis which took him to the brink of death. He passed the crisis alone until 0600, when he called Jorge Idiaquez," his secretary, the weekly says. After saying that his physician gave Haya de la Torre two injections, the magazine ends by saying that this is the reason why the APRA chief left the assembly late on Tuesday, 12 December.

ANTIOLIGARCHIC FRONT SET UP FOR 1980 ELECTIONS

PA270319Y Lima EXPRESO in Spanish 19 Dec 78 P 3 PA

[Text] The National Union, led by Fernando Noriega Calmet; Carmen Leguia's Reformist Democratic Party; and the Nationalist Revolutionary Party [Partido Nacionalista Revolucionario--PNR] have formed an antioligarchic and anticommunist front with a view to the 1980 general elections.

According to Luis Felipe Ricci, president of the PNR, formerly an anticommunist party, selection of the presidential candidate and the political cadres who will represent the three front parties will take place during a national assembly to be held after drawing up a manifesto to the nation.

Ricci also noted that the heads of the three parties will meet this week to draw up the political manifesto. He added that some points still have to be coordinated, but that it was agreed to leave the doors open to other groups or people of similar ideology to join the front.

CHILEAN AMBASSADOR RECALLED TO SANTIAGO

PA262039Y Paris AFP in Spanish 1819 GMT 26 Dec 78 PA

[Text] Lima, 26 Dec (AFP)--Francisco Bulnes, Chile's ambassador to Peru, left for his country today. He was recalled by his government, but he did not say why. Bulnes left at 1000 (1500 GMT) for Santiago, Chile, where, he said, he will talk with Chilean Foreign Minister Hernan Cubillos.

Asked about the border conflict between Chile and Argentina, Bulnes mentioned the arrival of Msgr Antonio Samore, the Vatican special envoy. He considered the visit very significant and said that his government hoped that it would help in finding a solution to the conflict. On the other hand, Bulnes refused to say anything about the expulsion of two Chilean Navy officers from Peru, where they were discovered conducting espionage activities at an air force base in northern Peru, activities that the Peruvian Foreign Ministry denounced on 20 December.

NEW CANAL AUTHORITY DIRECTOR GIVES INTERVIEW

PA211912Y Panama City Televisora Nacional in Spanish 1752 GMT 21 Dec 78 PA

[21 December interview with Gabriel Lewis Galindo, newly appointed director general of the Panama Canal Authority, at the Presidency in Panama City--recorded]

[Text] [Question] Gabriel Lewis Galindo, for Television Channel 2: Upon your appointment to the post in the Canal Authority, could you explain to us what plans you have for the next 10 months when we will be receiving the first installations as a result of the treaty?

[Answer] With pleasure. At present there exists a team of men who have given all their time and best efforts to the planning of the return of this territory to Panama. This team has been led and is led by architect Edwin Fabrega. It has done a very detailed job of dividing the transition process into stages and placing priority upon certain, most important, aspects. I think that following the guidelines already established by Edwin Fabrega, the process of reintegrating what was known as the Canal Zone to the national territory will be relatively--I cannot say without complications--but will be relatively easy to follow as long as we have the necessary human elements. The entire government team, as the president has just said, is extremely interested in cooperating with the members of this team for what we consider the most important mission of 1979. I think that not only Panamanian official spheres, but all Panamanians are extremely willing to offer their cooperation so that we can show the world our maturity and technical capability, so that we can feel proud and show the world that it has not given us its backing in vain when we struggled for the recovery of our territory.

[Question] A question I would like to bring up which is cause for concern in the people as a whole... you have been on the inside regarding the canal treaty issue due to the fact that you were ambassador in Washington. However, now you assume a position of carrying out the treaties which were discussed for many years. Which do you think will be the principal problems that will arise when the treaties are executed, and how will the existing labor system in the Canal Zone be compared with the labor system existing in Panama?

[Answer] This question has several parts. In the first place, I believe that the problems which we will face are mostly human problems. The Canal Zone has been for many years a U.S. colony in which the most specialized work has been done by U.S. citizens. In this transition period, from now to the year 2000, it is necessary for this element, with which we must work so that the operation will continue as efficiently as at present, to have peace of mind and know that they can live with us in peace. Concerning the Panamanians who are working in the Canal Zone at present, they must be given the assurance that their positions will not suffer when Panama starts providing a large amount of the services now provided by the United States. As for labor policy, I want to say that for me it is still premature to voice an opinion in regard to the policy to be decided upon by the national government. But I can tell you that careful studies are being made so that the reintegration of the Canal Zone to Panama will not cause problems of a labor type which will involve the whole country.

[Question] My question regarding labor policy is what will we do with the Panamanian worker, comparing his salary with the salaries paid in the Canal Zone?

[Answer] This is a problem which goes beyond what is now known as the Canal Zone, so it requires an answer from a higher level than the canal authority. It is an answer which I think the president of the republic will give at the proper time, after the completion of the appropriate studies which are still not finished.

[Question] When do you think that will be?

[Answer] I repeat, I think this question should be asked when you have the opportunity [words indistinct].

[Question] Mr Lewis Galindo, finally, we are interested in one aspect. In great sectors of Panama and the world there still exists pessimism regarding the Panamanian's capacity to manage the canal, to manage the operation of the canal and the responsibilities this entails. Can you explain to us--for the Panamanian people--will we be able in 10 months to overcome all these stages?

[Answer] Look, today we have over 30,000 students in the university. We are not a nation of uneducated people. On the contrary, we export talent. All this can be answered by Edwin Fabrega. The other day on a visit to the Canal Zone made by a group of us with his excellency the president, we saw a computer center. We were surprised; although it was a point of pride for the North Americans, it was for us proof of how advanced Panama is. The National Institute of Hydraulic Resources, which is headed by Edwin Fabrega, has much more advanced installations for the distribution of electricity, using all computer systems, than the one used for the transit of ships through the canal. This is proof of the technical capacity we have, and I think this should not worry us. I think we are perfectly equipped to manage this canal. This is a canal built at the beginning of the century, and this technology is totally, let us say, controlled by the technical capacity of our men. There are already a large number of Panamanians at high levels in the Canal Zone working in these positions. We noticed this the other day during the visit we made. Key positions, such as pilots, actually do not require more than opportunity. That is what has been denied us so far.

[Question] Thank you very much for your statements for Television Channel 2.

OUTGOING CANAL AUTHORITY DIRECTOR FABREGA INTERVIEWED

PA211958Y Panama City Circuito RPC Television in Spanish 1800 GMT 21 Dec 78 PA

[21 December interview with former Panama Canal Authority Director General Edwin Fabrega at the Presidency in Panama City--recorded]

[Text] [Question] Mr Fabrega, you have just left the post of executive director [title as heard] of the Canal Authority. Gabriel Lewis Galindo is the next director. I would like you to tell us your recommendations for the new team which will compose the Canal Authority, even though you are still part of it.

[Answer] The president has just announced that in appointing Mr Gabriel Lewis as executive director of the Canal Authority he is accompanied by a group of men who were there at the beginning. He does this because, at this time, in this stage of the work, an absolute dedication of time is required. The last 10 months remaining before that first day--that glorious first day--require very detailed work of much dedication and executive capacity in which we will be sure that every man will be at his post on that first day, and we can be sure that the train will leave on time, that the ships will dock and unload and that the licenses and everything will be working properly. The team led by Gabriel has in its hands at this time the work done by the special commissions which were appointed and which continue working, together with the contributions of the 600 advisers who were appointed by the different civic, labor and professional organizations. These groups are willing to continue working and cooperating on this subject.

[Question] Regarding the policies to be followed when the canal treaties are implemented, they should be prepared by the different committees and divulged in the month of January. Will this be possible?

[Answer] No, these are policies which are decisions at a government level, not of the Canal Authority. They are policies that should be formulated as a result of the work of these commissions. These commissions will be completing their work in April. By April I think that the government will be in a position to announce very clear and very precise policies which will provide an orientation for canal operations.

[Question] Thank you very much for this interview for RPC Television.

COMMISSION INSTALLED FOR LEGAL COUNSELING ON CANAL

PA212258Y Panama City Domestic Service in Spanish 1730 GMT 21 Dec 78 PA

[Text] A number of legal measures to be adopted when the Torrijos-Carter treaties go into effect were announced during the installation of the commission for legal counseling on the treaties.

The commission was installed in the conference room of the public registry building. Augusto Zambrano, assistant general director of the national commission for implementation of the treaties, outlined in detail the procedures used to arrange for the implementation and noted that 23 binational subcommissions will work jointly on implementation. The commission was installed by Presidency Minister Rogelio Fabrega. It involves 11 ministries and 16 autonomous institutions directly connected with activities related to the implementation of the canal treaties.

During the installation, Fabrega and the commission members answered a number of specific questions posed by the participants in the installation ceremony regarding the implementation of the Torrijos-Carter treaties. One of the priority issues, which will be an important factor in this implementation, concerns the type of political division the Canal Zone will become after it comes under the authority of the Panamanian Government. Other points discussed were the question of whether or not to create new offices of solicitors, municipal courts or government attorney offices and the real estate properties and services that will revert to our country, the transfer of which involves some legal questions.

To conclude, Zambrano gave a detailed explanation of the procedures used by the commission for such implementation and said that 23 binational subcommissions which are working on it have already approved 96 regulations.

Regarding the commission for legal counseling, it was indicated that the commission will answer all queries from the various subcommissions and will coordinate the work of the legal advisory offices of the various state branches. It will also carry out the juridical work of embodying in legal provisions, formal laws and regulations the terms already approved concerning the performance of various activities expected to be carried out by the Panamanian Government.

HAVANA RADIO INTERVIEWS FOREIGN MINISTER OZORES

PA231423Y Havana International Service in Spanish 0000 GMT 22 Dec 78 PA

[Interview with Panamanian Foreign Minister Carlos Ozores by special Radio Havana correspondent Pedro Martinez (Pires) in Panama City, date not given--recorded]

[Text] [Question] Mr Foreign Minister, the creation of the Latin American Economic System [LAES] was a step on the path of Latin American subregional integration. We would like to know the Panamanian Foreign Ministry position on Latin American integration and its significance in today's world.

[Answer] Certainly, but first I wish to send a greeting to the Cuban people. We were very optimistic about the importance of the LAES as a step toward Latin American integration, and Panama played an important role in this case. We were very pleased when Cuba joined the LAES and we hope that the LAES can be strengthened. However, we are quite pessimistic about Latin American integration on a broader scale because we believe that economic integration without political ties does not lead to optimum results in the final analysis. Unfortunately, Latin America today, especially in the southern cone and several Latin American countries, has governments that are still controlled by military regimes. These are definitely not helping to make this integration a reality in the near future. We are pessimistic about the development of the military governments because we are very worried about the imprisonment and torture of individuals which occurs every day in many Latin American countries. In the long run this will definitely affect any economic integration measures because, as I said before, economic integration without political ties among the Latin American countries is, in my opinion, destined to failure.

[Question] In spite of UN condemnation, vestiges of colonial domination still exist in the Caribbean. Please tell us what the Panamanian position is on this fact and on the maintenance of foreign military bases in several countries of our America.

[Answer] That is a question that is very close to us because we still have a colonialist enclave in our territory which will gradually disappear thanks to a treaty which fortunately exists between Panama and the United States. However, we are fully aware that anachronistic situations exist in many areas of the Caribbean and not just in the Caribbean. We believe that the situation in the Falkland Islands is completely anachronistic, as is the situation in Belize. It worries us because, after much effort, we have managed to obtain a treaty which does not immediately eliminate the U.S. military presence but will, we believe, limit the time that these bases will remain with the consent of Panama. These limitations were not contained in the 1903 treaty. It was in fact a completely abusive military presence. We prefer that these bases remain on a fixed-term basis, but with Panamanian consent. On the vestiges of colonialism in areas of Latin America, we are fully aware that these must gradually disappear as quickly as possible. Our position at international conferences has always been to support those resolutions--many of them cosponsored by Panama--which promote a quick elimination of this situation.

[Question] Mr Ozores, very close to Panama--in Nicaragua--there has been a death struggle against the Somoza dictatorship. What is Panama's position on this struggle and the Nicaraguan situation?

[Answer] Our position on the sad reality which exists in Nicaragua is that we would like the Nicaraguan situation to be solved peacefully. However, this is a somewhat utopian desire due to President Somoza's insistence and obstinacy in staying in power against the people's wishes. We believe that the mediation being carried out by three countries will not be a positive solution and in the end there will be violence and this will be the only way to make Somoza leave Nicaragua.

[Question] Finally, Mr Foreign Minister, on 1 January the Cuban revolution will be 20 years old. Will Panama send a delegation to Havana to celebrate the event?

[Answer] Yes, Panama will send a delegation and we attach great importance to this trip. We want to be present in Havana during these festivities because the 20th anniversary of the Cuban revolution is an historic milestone not just for Latin America, but I would say for the Third World countries. Panama wishes to be present with a high-level delegation, to be with the Cuban people who fought so hard for this revolution.

[Question] Thank you, Panamanian Foreign Minister Carlos Ozores for these statements for Havana Radio made here in Panama City.

PLANES RUMORED CARRYING WEAPONS FROM CUBA

PA261807Y Panama City Radio Mia Network in Spanish 1100 GMT 26 Dec 78 PA

["Resumen Informativo" program with Ramon Pereira, Jr and Julio Ortega]

[Text] [Ortega] Well, Ramoncito, do you remember that we received various calls about 3 weeks ago telling us that Cuban planes had landed in Rio Hato?

[Pereira] Yes.

[Ortega] That these planes reportedly were bringing weapons and that they landed in Rio Hato? The rumor has continued to circulate. The government has said nothing and we are going to initiate an investigation because we now have another source. It seems that the Southern Command forces--no matter what is said, nothing moves here without their knowing about it--apparently expressed their annoyance and their concern over this event, particularly as it relates to the security of the canal. Afterward there was some diplomatic string-pulling and the planes apparently left without unloading. In other words, they turned around and went back to where they had come from. We are going to investigate this information through other sources because we are very interested in getting to the bottom of this matter.

CONEP PROTESTS NEW ATTEMPTS TO REVOKE LAW 95

PA242131Y Panama City LA ESTRELLA DE PANAMA in Spanish 21 Dec 78 p 9 PA

[Open letter to President Aristides Royo Sanchez from National Council of Private Enterprise--date not given]

[Text] Most excellent Mr President, the National Council of Private Enterprise [CONEP] considers the new attempt by certain members of the labor sector to pressure the national government into revoking Law 95 of December 1976 to be contrary to the best national interest. For this reason, CONEP deems it necessary to express below its viewpoints on the subject, which can be summarized as follows:

1. Law 95, enacted at a time of acute crisis in the national economy, came to represent the partial restitution of an equilibrium in labor-management relations which was lost during the preceding legislature.
2. Experience has shown that, contrary to the expressed fears of certain labor leaders, the law did not lead to reprisals on the part of employers or to the predicted mass dismissals. Moreover, the increasing rate of unemployment was halted.
3. The aforementioned law restored to businesses the concept of discipline, an indispensable element within any organization whose basic objective is national development.
4. The system of arbitration employed by the state pursuant to Law 95 represents an indispensable factor of equilibrium, of great importance in a country such as ours which is in the process of development and needs to make the best use of all its productive resources.

In view of all the foregoing we are certain that the national government will understand the importance of maintaining the necessary labor discipline in order to implement a national development plan which urgently requires the participation of the private sector in harmony with all active forces of the nation.

With all consideration,
CONEP;
Vladimir de la Rosa, president

COSTA RICA

DETAINED NATIONAL GUARDSMEN RETURN TO NICARAGUA

PA222358Y San Jose Radio Reloj in Spanish 2215 GMT 22 Dec 78 PA

[Rodolfo Martin report from the Penas Blancas border area in Costa Rica--live]

[Text] We are offering you, Costa Rican people, the latest of the many news bulletins that we have issued today as the plan for the return of the 14 Somoquist guardsmen--who entered the nation's territory the day before yesterday at about (21430) in the vicinity of the community of Los Chiles--began.

Right now, 2 or 3 minutes ago, all the Nicaraguan guardsmen who were detained and held by Costa Rica for part of the afternoon of the day before yesterday, yesterday and today were turned over to Nicaraguan officials. The final session was held at the customs building, where all the detainees were given blood and urine tests as well as physical examinations.

A report was drawn up by judicial investigation organization agents. The report was turned over to Col Gonzalo Evertz Molina and the National Guardsmen then boarded a bus which bore two Costa Rican Red Cross flags. The bus was in turn escorted by other Costa Rican Red Cross units.

It drove about 400 meters, and when the motorcade reached Las Agujas a Nicaraguan colonel asked his Costa Rican colleague to please allow the bus to drive a few more meters into Nicaraguan territory so that they could be delivered right in front of the National Guard command post at Penas Blancas. Thus, the bus went a few more meters, perhaps 50 meters, and dropped off the National Guardsmen who were detained on Costa Rican territory 2 days ago in front of the National Guard command post on Nicaraguan territory. They were taken inside the command post, came out again a few minutes later, and then boarded a truck which left for the interior of Nicaragua.

There is a large group of citizens here, most of them Nicaraguans, who are expecting the border to be reopened. As we noted in the previous news bulletin, the Nicaraguan colonel left the immigration office and told all the visitors who were here that the border would be reopened in a matter of minutes so that they could go through.

He stated that Nicaraguan officials had not closed the border at any time. Thus the reopening of Las Agujas is being negotiated now. There are slight problems because some employees are missing at the Costa Rican immigration office since they had received orders from the central directorate to leave the area. There is another problem because the border is closed in Nicaragua for a longer time [Rodolfo Martin corrects himself]...long before it is done in Costa Rica. [sentence as heard] To wrap up the various news bulletins we have provided exclusively from Penas Blancas let us hear the latest statements by Colonel Molina and Peralta, legal adviser of the Public Security Ministry: [Begin recording] [passage indistinct]

[Question] Peralta, of the Public Security Ministry's Legal Department, the work is over. What is your opinion?

[Peralta] We are here in [words indistinct] where a month ago we experienced very disagreeable incidents. I think it is not necessary to state my opinion regarding the difference in attitude involved when we return 14 living and healthy people while they returned 2 incomplete bodies--they did not even return their viscera.

[Question] What was the cause for concern? Was there any concern on the part of the Nicaraguan soldier when the report was drawn up and when the medical examinations were being conducted?

[Peralta] I could not tell you whether or not we had any concern. He must have been very calm because to set foot on the nation's soil causes one to be calm.

[Question] What were the last remarks you heard him utter?

[Peralta] The last thing I heard from his lips was his thanks for the way in which we treated his people inside the nation's territory.

[Question] Will this incident be presented again before higher international authorities? Will a complaint over the violation of the nation's territory be presented again?

[Peralta] Undoubtedly. I cannot tell you the mechanism or if some sort of complaint will be filed or not. But right now the OAS has something very serious on the agenda; that is the report by the human rights commission which in the starkest manner speaks of horrors committed on Nicaraguan territory. I can tell you that all this will be part of the material which either as single complaints or as a whole will undoubtedly be used by our OAS team in Washington. By the way, we have an excellent team at the OAS. Ambassador Echeverria and his aides are a very good team representing our country very well there. [end recording]

The helicopter which brought the ministry's legal adviser and some other people of that public agency here to the Penas Blancas area is taking off now. We must note, then, that since the national newsmen arrived here, no more shooting has been heard on Nicaraguan territory. According to Colonel Molina, shooting had taken place at El Valle ranch on Costa Rican territory. He did not know what forces were involved.

'NORMAL SITUATION' REPORTED ON NICARAGUAN BORDER

PA261541Y San Jose Radio Reloj in Spanish 1200 GMT 26 Dec 78 PA

[Text] An apparently normal situation has existed on the border with Nicaragua for the second consecutive day. It has been reported from the border post located on the border between Costa Rica and Nicaragua that shooting can be heard once in a while there, but that this shooting is different from that of Saturday, when there were really shootouts between Sandinist elements and Somoza's people. The present shooting sounds rather like shooting practice on the part of the Nicaraguan National Guard.

A large number of civil Guards are in San Jose. As a result of the present calm and the government's cleanup operations, the Costa Rican Public Security Ministry, on orders from President Carazo himself, has ordered the transfer to the capital of most of the troops who were working there. [sentence as heard] According to reports from official sources in the border area, the Costa Rica-Nicaragua border was closed all day yesterday, 25 December. Apparently, the border was closed because yesterday was a holiday. According to reports this decision was made by Nicaraguan administrative authorities. It is expected that the border will be reopened today, thus solving the problems of thousands of Nicaraguans and Central Americans who came to our country for the Christmas holidays and who now have to return home.

COMMUNIQUE STRESSES MAINTAINING PEACE, CALM

PA261551Y San Jose Radio Reloj in Spanish 1200 GMT 26 Dec 78 PA

[Text] The Presidential Palace has issued a communique noting that the Costa Rican Government wants to reaffirm once again that it will not allow the spirit of peace and calm of the Christmas season to be spoiled by the nervousness of the Nicaraguan National Guard, which is trying to extend its problems to Costa Rican territory.

The following is a communique issued by the Costa Rican Government on the occasion of the Christmas holidays:

A Costa Rican Civil Guard detachment will remain at various border points this Christmas to safeguard national sovereignty and implement the nonintervention principle supported by Costa Rica in various international agreements.

Our country will not allow international adventures and will not permit the Christmas peace to be spoiled. With regard to false reports that mortar attacks have been launched from Costa Rica on Nicaraguan territory, the Government of Costa Rica states that both the National Guard of Nicaragua and the Civil Guard of Costa Rica know that the shots were fired from Nicaraguan territory.

The geography of the border in that area could lead inexperienced observers to believe that the shots came from Costa Rican territory, but the government of the republic categorically states that the shots are being fired from Nicaraguan territory as the Costa Rican and Nicaraguan authorities have verified it and know it.

PRESIDENCY MINISTER CROCERI RESPONDS TO SOMOZA STATEMENTS

PA262014Y San Jose Radio Reloj in Spanish 1730 GMT 26 Dec 78 PA

[Interview with Presidency Minister Jose Rafael Cordero Croceri; place not given--live]

[Text] [Question] Mr Jose Croceri, General Somoza insists that heavy weapons such as mortars and other big weapons are being fired from Costa Rican territory. What can you say on this?

[Answer] The insistence of General Somoza and his generals that they are being fired upon from Costa Rican territory is regrettable and worrisome. This is completely false. The government of the republic, through President Carazo, has completely denied this reckless, audacious statement which General Somoza and his people have made in order to involve Costa Rica in a problem with which it has nothing whatever to do.

Furthermore, during the cleanup operations going on in the border area our authorities have established where the guerrillas are operating. That area extends from the border to Lake Nicaragua. That is where the guerrillas have their camps: 1 km inside Nicaraguan territory.

We cannot go as far as to take them by the hand and point out where the guerrillas are on Nicaraguan territory. The truth is that President Somoza refuses to admit that there is subversion in his own territory. According to reports we have, the harassment of the people of Sapoa and of Penas Blancas in particular continued yesterday. I repeat, this situation is taking place in the Lake Nicaragua area. It is from that area that the guerrillas are using their mortars to harass Penas Blancas and the people of Sapoa. Since these attacks are coming from a point behind the site of the Penas Blancas customs post, they are trying to confuse international opinion by saying that the attacks are from Costa Rican territory but, I repeat, this is completely false.

The first to make these false statements--an offense to national dignity--was General Evertz. We were able to listen to him on other news programs inciting the Costa Rican people against their president--which was meddling in strictly Costa Rican affairs. He was asking for pressure against our government to prevent attacks on Penas Blancas from our territory. Now President Somoza has repeated the same thing. This, I repeat, is completely false.

The reports that we have from this morning indicate that there is complete calm throughout the Costa Rican border area. Thank goodness there has been no incident. Our Civil Guard, which patriotically stayed on the alert and carried out the cleanup operation while other Costa Ricans were enjoying Christmas, has established that there are no guerrillas on national territory.

What I think is happening to President Somoza, as the great Cuban patriot Jose Marti once said, is that for every century that a nation has been in chains, it takes that nation another century to get rid of them. I think that this is what is happening to the dear Nicaraguan people.

[Question] Mr Presidency Minister, General Somoza also claims that he had never thought about breaking relations with Costa Rica and that he maintains his love and affection for the Costa Rican people. He even spoke in favor of renewing these relations, nothing that Costa Rica was the one that broke them. What is the position of the Costa Rican Government?

[Answer] As our foreign minister--who together with our president directs international relations--has said, we are waiting for a positive change from the Nicaraguan Government to study the possibility of renewing relations. I, as presidency minister, do not direct international relations.

What is happening is that Somoza had no reason for breaking relations with Costa Rica. Costa Rica did because of the assassination of our Civil Guardsmen. This was the eighth time in a year that our territory had been flagrantly violated. Our country had to state its protest to the world. Since ours is an unarmed country, the only moral protest we could make was to break relations, which was done as a result of the constant abuses of the Somoza regime in violation of our sovereignty. This is what happened.

GOVERNMENT ASKS OAS TO SEND PERMANENT OBSERVER TO BORDER

PA270231Y San Jose Radio Reloj in Spanish 0100 GMT 27 Dec 78 PA

[Press communique released by Costa Rican Foreign Ministry on 26 December 1978]

[Text] 1. The Government of the Republic of Costa Rica urgently requested, through its permanent OAS representative in Washington today, that an observer be stationed on the border between Costa Rica and Nicaragua permanently until the civilian commission also requested urgently by our country since 21 November takes position there.

2. This permanent observer has been requested in order to achieve calm in the area and to verify our country's activities, marked by neutrality and total compliance with its international duties and the basic principles of international law.

3. On 25 December Costa Rica received a proposal from Nicaragua through the Guatemalan Embassy in San Jose to send a Costa Rican Interior Ministry official to contact a Nicaraguan official so that together they could verify the alleged positions from which the Nicaraguan National Guard was being attacked from Costa Rican territory.

4. The Costa Rican Government immediately accepted the proposal and appointed a person who would go to the border as an observer as requested by Nicaragua. When the Interior Ministry official arrived at the border point, Nicaraguan National Guard Commander Bravo flatly refused to inspect the alleged area where shots were being fired at the Nicaraguan National Guard.

5. Since 21 November 1978, Costa Rica has urgently asked the OAS to send a civilian commission to observe the border area between Costa Rica and Nicaragua and avert serious and unforeseeable events. So far this has not been done.

6. Despite the risk involved in sending Civil Guardsmen--who could be killed as occurred on 21 November--to the border, in an effort to maintain our country's neutrality Costa Rican public force officers have constantly been sent to that area in order to maintain peace.

7. The Costa Rican Government categorically reiterates that all clashes in the Penas Blancas border area take place exclusively in Nicaraguan territory, as has been fully confirmed by Costa Rican officials.

8. Therefore, the Costa Rican Government accepted the Nicaraguan proposal to receive an official from that country who would pinpoint the area from which the alleged shooting was taking place. After the proposal was made and accepted, it was inexplicably withdrawn by Nicaraguan officials.

HAVANA REPORTS NICARAGUAN TROOPS ON COSTA RICAN BORDER

FL271207Y Havana Domestic Service in Spanish 1145 GMT 27 Dec 78 FL

[Text] The Somoza dictatorial regime is concentrating Nicaraguan troops on the border with Costa Rica. News agencies report that military units and war equipment are being flown in to a zone of the border city of Rivas. The unit commanders are holding urgent meetings in which, according to observers, they are outlining plans to invade Costa Rica. At the present time Somoza has concentrated on the border about 2,500 soldiers of the Nicaraguan National Guard, or the equivalent of 1/4 of the guard's troops. Costa Rica resolutely supports the Nicaraguan people's struggle against the hated Somoza regime.

FIDEL CASTRO REMARKS ON NICARAGUA PUBLISHED HERE

PA222125Y Panama City ACAN in Spanish 1753 GMT 22 Dec 78 PA

[Text] San Jose, 22 Dec (ACAN-EFE)--Cuban President Fidel Castro believes that Nicaraguan President Gen Anastasio Somoza Debayle will be overthrown soon. The San Jose newspaper LA REPUBLICA today published a report indicating that Castro made the statement to a group of Costa Rican deputies who recently visited Havana. Castro said that "a regime of that type cannot last long." He said that he believes Somozism unifies all Costa Ricans: "I am sure that all of the Costa Rican people are anti-Somozist." Castro noted to the Costa Rican legislators the willingness that the Costa Ricans have had for many years to defend their country's sovereignty. He stressed the well-equipped nature of the Nicaraguan Army and immediately added that "you have a friend here in Cuba." In this way, the father of the Cuban revolution indirectly announced support for Costa Rica in the event of aggression from Nicaragua, a country with which the San Jose government broke diplomatic relations last month. The rupture was caused by the killing of two Costa Rican policemen by the Nicaraguan Army, an event that brought an end to President Rodrigo Carazo Odio's patience. He had reacted severely when Nicaraguan military planes had machinegunned Costa Rican students a few kilometers from the border in September. President Castro also said that the Guatemalan Government "is the most repressive regime in Latin America, but no one reports what is occurring in that country--atrocities."

EL SALVADOR

FOREIGN MINISTER SPEAKS ON DISPUTE WITH HONDURAS

PA230439Y San Salvador LA PRENSA GRAFICA in Spanish 14 Dec 78 pp 3, 87, 91 PA

[Report by Adrian Roberto Aldana]

[Excerpts] If the mediation of Peruvian jurist Dr Jose Luis Bustamante y Rivero fails, the Salvadoran Government is willing to accept the services of an arbitrator or the International Court of The Hague to definitively solve the conflict with Honduras. Foreign Minister Dr Jose Antonio Rodriguez Porth made this statement in a speech at the annual dinner of the Salvadoran Chamber of Commerce and Industry held at the Camino Real Hotel in San Salvador.

Dr Rodriguez Porth explained that Honduras has annulled the bilateral treaties and suspended the multilateral treaties. This position hinders the negotiations process or, at the least, makes the finding of solutions to the problems difficult and slow. Honduras seeks an overall and simultaneous solution of the dispute. It wants, on the same day that the normalization agreement is signed, there to be a solution of border issues, diplomatic and consular relations, the opening of the Pan-American Highway which is closed to Salvadoran vehicles, the establishment of consulates, the renewal of trade and so on.

The thesis supported by El Salvador is considered more reasonable, according to the Salvadoran foreign minister's explanation and the general opinion of the professionals attending the annual dinner of the Chamber of Commerce and Industry.

El Salvador, through its mission represented by Foreign Minister Rodriguez Porth and distinguished internationalists, believes that the definitive agreement with Honduras should be achieved by means of a gradual and progressive process. The Salvadoran mission believes that a treaty to renew relations is not necessary since merely a letter from one foreign minister to the other would determine the renewal of relations. According to the Salvadoran thesis, a treaty is not needed to open the highway, nor is a treaty necessary for the establishment of consulates in both countries.

Regarding the border issue, El Salvador suggests the establishment of a joint commission to review the entire Salvadoran-Honduran border.

The foreign minister noted that at no time has El Salvador rejected an immediate solution of the dispute with Honduras. On the contrary, it has made recommendations to speed up the negotiations process. The foreign minister said that the final success of the negotiations will depend on the political desire and spirit of fraternity of the Honduran Government since the Salvadoran Government has given at all times unmistakable signs of its pacifist and Central Americanist spirit.

In his clear explanations on the negotiations, Foreign Minister Rodriguez Porth said that national sovereignty is not at play at any moment because the political constitution determines it. He reiterated that national territory is not being discussed or disputed because it is an essential part of the fatherland's sovereignty. Regarding the pockets of land that Honduras claims as its territory, the Salvadoran official stressed that they are legitimately owned by El Salvador on the basis of time, history and geography.

Regarding what El Salvador could claim as territory belonging to it that is in the hands of Honduras--if this does exist--the Salvadoran foreign minister maintained absolute silence.

He also explained that when mediator Dr Jose Luis Bustamante y Rivero issues the final verdict, it will not be released for obvious reasons in order not to harm any new negotiations or steps to be taken by the parties.

RELATIONS WITH TAIWAN REMAIN UNCHANGED

PA221610Y Panama City ACAN in Spanish 1638 GMT 21 Dec 78 PA

[Text] San Salvador, 21 Dec (ACAN-EFE)--The relations between El Salvador and Taiwan will remain unchanged, Salvadoran Foreign Minister Jose Antonio Rodriguez Porth announced here last night.

The minister explained that the U.S. Government's establishment of relations with the PRC in no way affects Latin America. He also said that El Salvador and the PRC are not presently engaged in any type of negotiations to establish relations.

PRESIDENT REJECTS CABINET'S YEAREND RESIGNATION

PA221205Y Panama City ACAN in Spanish 2324 GMT 21 Dec 78 PA

[Text] San Salvador, 21 Dec (ACAN-EFE)--The cabinet of President Carlos Humberto Romero's government submitted its collective resignation today, but the president decided not to accept it.

During the last cabinet meeting of 1978, the ministers notified Romero of their decision in order to leave him free to make the changes he deemed necessary in the government team. The president not only confirmed them in their posts, but expressed his satisfaction over the way in which they have been working on behalf of the Salvadoran people and asked them to continue working with the same enthusiasm in his administration's progressive task.

It has been learned that the ministers were told that the government has not had any contact with the families or the companies of the four foreign executives who have been kidnaped by the clandestine Armed Forces of National Resistance (FARN). They were also told that the government has not negotiated with the extremist group. It was reiterated that the regime will not hold a dialog with terrorists. The other subjects discussed at the meeting dealt with administrative affairs. After the meeting, President Romero held a reception for his closest aides to mark the Christmas and New Year festivities.

FARN ISSUES COMMUNIQUE ON KIDNAPING OF FOUR FOREIGNERS

PA270341Y Paris AFP in Spanish 2139 GMT 26 Dec 78 PA

[Text] San Salvador, 26 Dec (AFP)--It was learned here today that the Salvadoran guerrilla group, Armed Forces of National Resistance (FARN), has publicly threatened to kill British executives Ian Massie and Michael Chaterton, who were kidnaped on 30 November. In a communique FARN set 30 December as the deadline for beginning negotiations for the release of the British citizens, adding that neither the British Government nor the authorities of the Bank of London, for which Massie and Chaterton work, have wanted to negotiate.

In the same communique the guerrillas refer to the situation of the negotiations for the release of two other foreigners FARN has kidnaped. They indicate that Netherlands citizen Fritz Schuitema, who was kidnaped on 24 November, will be released when their last demand, the publication of a FARN manifesto in the Salvadoran newspapers, is met. They said that the other demands--publication of the manifesto in 32 foreign newspapers and payment of a ransom--have already been fulfilled by the Phillips Company, for which Schuitema worked as general manager. The communique does not reveal the amount of the ransom Phillips paid for Schuitema's release.

The other kidnaped foreigner is Japanese citizen Takakazu Suzuki, sales manager of a Japanese textile firm which operates in El Salvador. According to the FARN communique, negotiations in the Suzuki case (kidnaped on 7 December) are quite advanced. The guerrillas indicate that the textile firm and the Japanese Government have adopted a very good position--"better than the one they maintained" when FARN kidnaped in May Futsio Matsumoto, the same company's general manager, who was executed when the negotiations failed. The group did not indicate the demands made to the company and the Japanese Government for Suzuki's release.

In another part of the communique, FARN announced that it will attack agents and installations of state security bodies. It also said it will attack army units. This was the first report that the FARN has issued on the kidnappings since it kidnaped Netherlands citizen Fritz Schuitema on 24 November.

PCES CRITICIZES FARN FOR DIVIDING LEFT

PA242230Y Panama City ACAN in Spanish 1722 GMT 24 Dec 78 PA

[Text] San Salvador, 24 Dec (ACAN-EFE)--The underground Communist Party of El Salvador (PCES) today harshly criticized the outlawed Armed Forces of National Resistance (FARN) because it wants to cause rifts within the party ranks.

On the occasion of the kidnaping of Netherlands citizen Fritz Schuitema, who is still missing along with three other foreign executives, the resistance demanded publication of a communique in 32 countries in which the group attacks the Salvadoran Government and leftwing organizations.

In a communique released to the news media today, the PCES rejected charges that it bears primary responsibility for the lack of unity in the people's movement. The party says that those charges were issued with "the stated intention of denying and misrepresenting the frontline role that we communists have played in the struggles of the working class and our people since 1930 when the PCES was founded."

The Salvadoran communists say that "this, as all the other political aberrations of 'national resistance,' is bound to fail as its revolutionary practice has failed at times in our country. So far the Salvadoran people are not aware of any serious self-criticism by that organization."

LEFTISTS SEIZE RADIO AND TELEVISION STATIONS

PA221543Y Panama City ACAN in Spanish 0634 GMT 22 Dec 78 PA

[By Rosendo Majano]

[Text] San Salvador, 21 Dec (ACAN-EFE)--Two persons died, three were wounded and several were beaten and arrested as a result of the seizure of Television Channel 4 and radio stations YSU and Auto-Radio. The television channel and the two radio stations are located in the same building in San Salvador's southeastern sector.

The action took place today, Thursday, at 2100 (0300 GMT, 22 December). It was conducted by squads of the illegal Revolutionary People's Army (ERP). According to witnesses, the squads were composed of seven men and three women who entered the Radio Cadena YSU offices and broadcast an extremist message inviting listeners to tune to Channel 4.

The same message was broadcast over Auto-Radio. The television station, which was seized after the leftists fired their weapons and exploded bombs, then began to broadcast films clips on the Salvadoran political situation. The sound was weak. This broadcast lasted approximately 30 minutes.

The ERP communique explained that this action had been taken because the government has not allowed the publication of the communiques issued by the illegal Armed Forces of National Resistance (FARN), which has held four foreign business executives for several weeks.

FARN is demanding the release of five political prisoners, the publication in San Salvadoran newspapers of an antigovernment communique and an unspecified amount of money in exchange for the release of Fritz Schuitema, of the Netherlands; Ian Massie, from Scotland; Michael Chatterton, an Englishman; and Takakazu Suzuki.

The current Public Order Defense and Guarantee Law forbids this type of publication. The government of Gen Carlos Humberto Romero has repeatedly stated that it is not holding the political prisoners whose release is demanded by the extremists. The chief of state today reiterated his firm decision of not negotiating with illegal groups. Spokesmen for the regime have stated that prisoners who have violated the Public Order Defense Law are at the disposal of criminal courts.

A person who witnessed this evening's attack told ACAN-EFE that the leftists arrived at the building wearing uniforms like those worn by Channel 4 employees. They exploded a bomb at Cinespot, a business that operates in the same building.

Police agents have arrested several persons, including journalist Carlos Samayoa Martinez, Radio Cadena YSU's news director. The police said that those arrested will be released in the next few hours.

Anonymous calls were made to various mass communications media indicating that the ERP is responsible for the "Let Us Fight Censure" operation, as they called it.

Salvadoran Red Cross ambulances blocked the streets adjacent to the building and police units detoured traffic. A few minutes after the attack, this correspondent was able to see persons running all over the place as well as a huge traffic jam. Police later deactivated several bombs inside the YSU building and dispersed curious crowds.

It has been reported that the ERP militants escaped after closing the building's iron gate, leaving inside several YSU, Auto-Radio and Channel 4 employees who had been lying on the floor with weapons pointed at their heads. These employees told ACAN-EFE that the attackers told them to hit the floor and that nothing would happen to them.

There has been no government statement on this extremist attack, which came precisely at the moment when President Romero, on the occasion of the Christmas holidays, asked all Salvadorans to work for national peace.

NICARAGUA

SOMOZA INTERVIEWED ON TIES WITH COSTA RICA, OTHER ISSUES

PA261941Y San Jose Radio Reloj in Spanish 1730 GMT 26 Dec 78 PA

[Interview granted by Nicaraguan President Anastasio Somoza to Radio Reloj reporters Ricardo Gonzales and Carlos Jimenez and an unidentified reporter; date and place not given--recorded]

[Text] [Somoza] Christmas ended in Nicaragua without any political consequences. Furthermore, I noticed in Managua and all other cities a great happiness on the part of the citizenry, which is reflected in the gunpowder which they used in celebrating Christmas Eve. By the way, I want to take advantage of this opportunity to very respectfully greet the Costa Rican people on these Christmas holidays.

[Gonzalez] Mr President of Nicaragua, what is your position on the withdrawal of the mediation commission which was seeking to bring peace to Nicaragua?

[Somoza] Officially we have no knowledge that the commission is withdrawing. However, if the commission should withdraw, we would have to express our point of view regarding the reasons for their withdrawal from the mediation.

[Gonzalez] Another matter which I wished to discuss with you is the following: Has the Nicaraguan Government protested over the reiterated charges made by General Evertz that there has been firing from Costa Rican territory and regarding the situation which has prevailed over the past few days on the Costa-Rican-Nicaraguan border?

[Somoza] We have tried to contact the Costa Rican Government to bring to its attention the danger involved in the firing of mortars and other heavy weapons from Costa Rican territory. We have been unable to achieve this. In view of the fact that the Penas Blancas area has been under bombardment for 9 days now, what we have decided today in a Council of Ministers meeting is to close the border to all traffic as long as the Costa Rican side provides no guarantees that there will be no bombardment of Nicaraguan territory.

[Gonzalez] Mr President, is the FAO [Broad Opposition Front] afraid of participating in a plebiscite? What is wrong? How would you describe the FAO's attitude with regard to your insistence on a plebiscite? They are demanding that you or your son leave Nicaragua as a condition for a plebiscite to be held.

[Somoza] They have no support in Nicaragua and they are looking for 10,000 excuses to break off the negotiations.

[Gonzalez] Mr President, do you share Evertz' belief that the OAS is cowardly?

[Somoza] I am not aware that the general said this.

[Gonzalez] He said this to newsmen who were at the border when the Nicaraguan National Guardsmen who were arrested by the authorities were turned over.

[Somoza] I have no official news of this and, moreover, General Evertz could not have said this.

[Gonzalez] Mr President, other newsmen here wish to ask you about other things. I leave you so that you can talk to them for a few minutes.

[Somoza] Very gladly, my friend.

[Unidentified reporter] Mr President, we would like to know whether you have been in contact with President Carazo, or through your foreign minister with the Costa Rican foreign minister, to reach a possible solution to the break in relations in order to reestablish relations between Costa Rica and Nicaragua.

[Somoza] My foreign minister, Dr Julio Quintana, has made direct contacts on past occasions with Calderon Fournier. However, we have not talked about reestablishing relations because it is obvious that President Carazo's attitude is one of intransigence regarding all our proposals on the solution of the problem.

[Unidentified reporter] Is there any special situation which would prevent this from being achieved by mid-January? I understand that efforts have been made by other countries--particularly the Central American countries--to have Costa Rica and Nicaragua reestablish relations in order to permit progress to be made in the reorganization of the Common Market.

[Somoza] Well, I must say that I know of no effort by any country to achieve the reestablishment of relations. The problem which faces us is that your country, your government, broke off the relations. We have never had even the remotest intentions of breaking relations with Costa Rica.

[Unidentified reporter] Thank you very much, Mr President. We are going to yield to another colleague who also wishes to ask you a question.

[Somoza] With pleasure.

[Jimenez] Mr President, good morning. This is newsman Carlos Jimenez of the Radio Periodicos Reloj staff. I would like to ask you, Mr President, what Christmas has been like for Nicaraguans in view of the fact that some news dispatches say that for the first time Nicaraguans have not enjoyed a happy Christmas Eve because of the political crisis of their government and their country?

[Somoza] Well, with the advent of the law which I passed giving Nicaraguans a Christmas bonus--which is the 13th month--the business establishments throughout the country were overflowing with people who came to shop and left the businesses practically empty. In addition, on the evening of the 24th, heavy use was made of firecrackers in Managua. The jubilation of the citizenry was extraordinary and I have reports that this was so in all the departmental capitals in Nicaragua. Of course, there were some acts of violence 1 or 2 days before, but from the 24th until now we have been enjoying full peace and security.

[Jimenez] Mr President, do you feel any resentment toward President Carazo's government or the Costa Rican people?

[Somoza] Look, among politicians there is no resentment because all of us who are involved in public affairs are public officials. I maintain and uphold the very best of intentions toward the people of Costa Rica because they have always been good brothers to us Nicaraguans.

[Jimenez] What is Nicaragua's outlook for 1979? Will you remain until 1981, Mr President?

[Somoza] The international conspirators have been asking me that stupid question for the past year. If there is no plebiscite [I will remain] until 1981, and if there is a plebiscite and I win, [I will remain] until 1981.

QUINTANA: BORDER WILL BE CLOSED UNTIL SHOOTING STOPS

PA262123Y Panama City ACAN in Spanish 1920 GMT 26 Dec 78 PA

[By Filadelfo Martinez of ACAN-EFE]

[Text] Managua, 26 Dec (ACAN-EFE)--Nicaraguan Foreign Minister Julio C. Quintana today warned the Costa Rican Government that the southern border will remain closed until the Costa Rican Government prevents the firing aimed at Nicaragua. The minister said that the situation on the border is such that the government has been forced to inform the U.S. Government of Nicaragua's concern over conditions in the border area. Quintana said that his government's concern was officially expressed to the U.S. charge d'affaires in Nicaragua today.

Speaking in the office of one of President Somoza's military aides, Quintana said that the attacks from Costa Rica have not let up in the past 72 hours. He stressed that large-caliber weapons are being fired at Nicaragua from Costa Rican territory and that the people of Penas Blancas (on the Nicaraguan side) have been constantly harrassed by subversive elements who have taken up positions approximately 300 meters inside Costa Rican territory. The foreign minister said that this situation has created an atmosphere of insecurity, endangering lives and preventing free transit on the Inter-American Highway. Quintana affirmed that the Nicaraguan Government has repeatedly protested this serious situation to the Costa Rican Government through the proper channels.

We have asked Costa Rica to fulfill its international commitments by preventing these aggressive actions, but they continue, and up until now the Costa Rican military authorities have done nothing to stop them.

After noting that up until now all of Nicaragua's efforts to end the shooting from the other side of the border have been unsuccessful, Quintana said: The Nicaraguan Government, fulfilling its duty of guaranteeing the lives of those who live in or pass through that area of the national territory, has been forced to close its southern border. We will remain on alert until the Costa Rican Government prevents those attacks against our territory. Nevertheless, the foreign minister noted that this step--taken in accordance with international agreements--will only be temporary, until the Costa Rican Government takes steps to prevent these actions from continuing and peace returns to the area.

In reply to a question the foreign minister recalled that the Nicaraguan Government had accepted the sending of an OAS team of observers to the border area. He said that several countries, which he did not name, have offered to send these observers to the Nicaragua-Costa Rica border area. Let us hope that this will soon become a reality, Quintana added. He affirmed that the Nicaraguan Government is even willing to foot the bill for the expenses of the observers so that they will be able to work efficiently. He also stated that Nicaraguan Ambassador in Washington Guillermo Sevilla Sacasa has been instructed to carry out all the necessary negotiations aimed at achieving peace on the southern border. He further revealed that Ambassador Sevilla Sacasa today, Tuesday, talked to Costa Rican Security Minister Juan Jose Echeverria over the telephone to reach an agreement on the date the observers are to arrive at the southern border. The steps taken regarding the arrival of the OAS observers include the use of a helicopter that will overfly the area constantly with observers aboard. The leasing of the helicopter costs about \$1 million per year. The foreign minister said that this expense will have to be paid by the two governments.

The situation on the southern border became extremely tense after Costa Rican authorities affirmed that there is no guerrilla activity on the Costa Rican side but that fighting occurs on the Nicaraguan side. Nicaraguan authorities have stated the opposite, even going to the extreme of the statements made today by Foreign Minister Quintana. The core of the issue is the presence of an international brigade of the Sandinist National Liberation Front [FSLN] in the border region. The FSLN is seeking President Somoza's overthrow by the use of arms.

The Costa Rican government has announced a cleanup operation near the border in order to fulfill the promise made by President Rodrigo Carazo Odio, who said that Costa Rican territory will not be used as a base for a guerrilla offensive against the government of Gen Anastasio Somoza.

EVERTZ SEEKING COSTA RICA'S COOPERATION ON BORDER

PA261835Y Panama City ACAN in Spanish 1739 GMT 26 Dec 78 PA

[Text] Managua, 26 Dec (ACAN-EFE)--Gen Gonzalo Evertz, commander of Rivas Department--which borders on Costa Rica--was today trying to reach Costa Rican President Rodrigo Carazo Odio by telephone to ask him to use his good offices to reestablish normalcy on the southern border. Evertz was also trying to reach Costa Rican Public Security Minister Juan Jose Echeverria with the same aim due to the virtual worsening of the Costa Rican-Nicaraguan border situation.

General Evertz told ACAN-EFE that individuals on the Costa Rican side continue to fire on the National Guardsmen, which is why the border is still closed today, Tuesday. Evertz' efforts have not been successful but he said that he will continue these attempts in an effort to get Costa Rica to cooperate to end the tension on the border.

The departmental commander also said that he sent an officer to meet with the Costa Rican border and immigration officials today in order to set up a system which will allow the temporary opening of the border for caravans of 10 or 15 vehicles, allowing them to cross the border in either direction.

General Evertz said that although the garrison in the border area was under fire from the "hoodlums" located on Costa Rican territory all day yesterday, none of his troops were hurt. He reiterated that prominent Red Cross officials, Nicaraguan and of other nationalities, who are impartial and apolitical were able to witness over the weekend that his charges that the rebels opposed to the Somoza regime are firing from across the border are true. Nicaragua's customs and immigration office on the southern border was moved back to the town of Sapoa due to the danger posed to the civilian population by the constant harassment of the international brigade of the Sandinist National Liberation Front [FSLN] in the Penas Blancas area.

I believe that the two countries' media should realize that this is not a communist, Somozist nor Conservative problem. It is a problem that is endangering the peace of both Costa Ricans and Nicaraguans, and I believe that they should contribute to the search for a solution, which is in the hands of the Costa Rican authorities, General Evertz warned.

CONSERVATIVES SUPPORT FAO CONDUCT AT NEGOTIATIONS

PA261523Y San Jose Radio Reloj in Spanish 1200 GMT 26 Dec 78 PA

[Text] Managua--The Nicaraguan Conservative Party issued a statement yesterday supporting the way in which the Broad Opposition Front [FAO] carried out its negotiations with the government under international sponsorship.

At the end of last week, the FAO accepted the final proposal made by the international commission mediating in the Nicaraguan crisis. The proposal dealt with the conditions that should exist for holding, as of 5 January, a plebiscite that would rule on whether President Anastasio Somoza will remain in power.

The mediators proposed that relatives of President Somoza, such as his brother Jose and his son Anastasio--Tachito--should retire and leave the country.

HAVANA REPORTS MERGER OF THREE SANDINIST FACTIONS

FL261104Y Havana Domestic Service in Spanish 1030 GMT 26 Dec 78 FL

[Text] The three factions of the Nicaraguan Sandinist National Liberation Front [FSLN] have announced their decision to merge their political and military forces to push the revolutionary war until the overthrow of the Nicaraguan dictatorship. In a communique released yesterday somewhere in Nicaragua signed by the national directorate of the Prolonged People's War faction, the Proletarian faction and the general staff of the insurrectionist Tertiary faction, they appointed Tomas Borges as joint representative of the entire organization. The communique--addressed to their Nicaraguan brothers--announces the political and military unity and their decision to merge all their military forces to push the war until the fall of dictator Somoza. The communique reiterates the FSLN's rejection of the mediation, which it terms a gross maneuver of Yankee imperialism, and the proposed plebiscite, which it describes as a cowardly surrender. The communique calls for strengthening the United People's Movement, which includes important popular sectors and political and labor groups, and for supporting the program of minimum demands proposed by the FSLN.

SOMOZA'S SON, MISTRESS IMPLICATED IN CHAMORRO KILLING

PA231531Y Panama City Televisora Nacional in Spanish 2315 GMT 22 Dec 78 PA

[Report on statements broadcast over San Jose Television Channel 6 by Sergio Martinez Valerio, "former Nicaraguan Government national security chief," in San Jose, Costa Rica, on 22 December 1978--recorded]

[Excerpts] Sergio Martinez Valerio, former Nicaraguan Government national security chief, charged today in San Jose, Costa Rica, that army Maj Anastasio Somoza Portocarrero was responsible for the assassination of newsman Pedro Joaquin Chamorro.

Among those implicated by Martinez Valerio were (Vidora) Samson, General Somoza's mistress; Generals Gustavo Montiel and Florencio Mendoza; Congressmen Cornelio Hueck, Irma Guerrero and Fernando Chamorro Coronel; and presidential aide Carlos Dupont.

Martinez' statements, carried on a Costa Rican Television Channel 6 newscast, were obtained by Sandinist Front guerrillas at a training camp in Nicaragua where the former security chief is being held prisoner.

According to Martinez Valerio, Cuban exile Pedro Ramos, the owner of Plasmaferesis--a Nicaraguan company which exports blood plasma and which was set on fire during the protest demonstrations over the assassination of Chamorro in January, 1978--contributed a large sum of money to organize the assassination. Martinez added that the crime was planned by Silvio Pena, who received 3 million cordobas to hire the assassins, Domingo Chavarria and Antonio Martinez. Domingo Chavarria has confessed to firing his machinegun at Pedro Joaquin Chamorro after hitting the newsman's vehicle from behind.

Martinez Valerio's statements, which were broadcast during the Costa Rican newscast and which we will now present, are interspersed with photos of the persons involved in the crime which took place on 10 January. The statements caused a stir in Costa Rica. There has been no official reply to the charges. Here are the statements:

[Begin recording] [Martinez] I am Sergio Martinez Valerio, an employee of the Nicaraguan National Security Office. I am 31 years old.

[Question] You interrogated Silvio Pena?

[Answer] Yes, sir.

[Question] Regarding the Pedro Joaquin Chamorro case?

[Answer] Right.

[Question] What did you learn?

[Answer] Well, he gave me details regarding the plotting of the assassination.

[Question] Who was primarily responsible [for the murder] in your opinion?

[Answer] In my opinion, Major Somoza and Mrs Samson were the main culprits. One is the mistress of the man [President Anastasio Somoza] and the other is his son. [end recording]

Former Security Official Comments Further

PA242100Y Panama City ACAN in Spanish 1520 GMT 24 Dec 78 PA

[Text] Managua, 24 Dec, (ACAN-EFE)--Silvio Pena, head of the band of paid criminals who assassinated Nicaraguan newsman and opposition leader Pedro Joaquin Chamorro, is enjoying special privileges in jail, such as color television, sound equipment and "official protection." This was revealed to Costa Rican news media by Sergio Martinez Valerio, who is chief of a band of Nicaraguan criminals called the "death squad."

According to the report published here by the opposition paper LA PRENSA, Martinez Valerio admitted that he had been captured on a Costa Rican estate by a cell of the Sandinist National Liberation Front (FSLN) on an unspecified date. He was armed with a machinegun, a pistol and a fragmentation grenade.

Martinez Valerio said that because of pressure and threats he had decided to collaborate with the National Security Office [Oficina de Seguridad Nacional--OSN], Nicaragua's political police. In this capacity, he traveled constantly to Costa Rica, proselytizing for Nicaraguan intelligence services.

Having talked with Pena in a Nicaraguan jail, Martinez Valerio stated that he is aware of important details of the plan which ended with the assassination of Chamorro almost 1 year ago. He also claimed to have overheard conversations regarding the execution of 14 youths in the city of Leon and of a number of sadistic and completely inhumane actions carried out within the offices of the political police.

Since Martinez Valerio is not a prisoner in a Costa Rican jail, according to the local morning paper, his present whereabouts--following his appearance on television when he was interrogated by the FSLN--are unknown.

He said under questioning that there are many mercenaries within the Nicaraguan national guard and that they preach to the soldiers only one slogan: "Kill." The FSLN prisoner said that these mercenaries were responsible for bombing Nicaraguan cities during the insurrection in September because Nicaraguan pilots refused to do so.

Regarding Martinez Valerio's statements, not long ago Gen Gonzalo Evertz, commander of Rivas Department on the border with Costa Rica, said that there are no mercenaries in the Nicaraguan Army. "We fight with natives," General Evertz said, adding that "in the 13 months I served as a commander in the northern mountains I never saw a single mercenary."

RODRIGUEZ COMMENTS ON RELEASE OF POLITICAL PRISONERS

PA262339Y Paris AFP in Spanish 1923 GMT 26 Dec 78 PA

[Text] Madrid, 26 Dec (AFP)--The release of political prisoners "had not been possible before because the political conditions for it did not exist," Vice President of the Cuban Council of State Carlos Rafael Rodriguez stated in an interview published here today by the newspaper PUEBLO. Now, however, Rodriguez said, we have had "a defeat of counterrevolutionary forces abroad and a clear renunciation by certain U.S. sectors who were using those forces as elements of pressure. Moreover, the revolution in Cuba has been consolidated, and it was the moment for an opening without having a negative effect on the revolutionary process," the Cuban vice president added.

Regarding his country's intervention in Africa, Carlos Rafael Rodriguez affirmed that it represents "the fulfillment of Cuba's international duties, which served to rejuvenate and strengthen the revolution."

UN ENVOY SAYS 33D SESSION DEFEAT FOR U.S. DIPLOMACY

FL261237Y Havana Domestic Service in Spanish 1145 GMT 26 Dec 78 FL

[Text] Raul Roa Kouri, Cuba's permanent representative at the United Nations, has asserted that the 33d General Assembly session was a bruising defeat for North American diplomacy.

In an interview granted to PRENSA LATINA, Roa Kouri noted that the nonaligned countries foreign ministers, at a meeting in New York last October, agreed to translate into action the decisions of the final declaration approved at the Belgrade ministerial conference by promoting the adoption of various resolutions at the General Assembly. In this regard, he added, emphasis must be made of the agreements adopted with regard to the declaration on granting independence to colonial nations and countries and the 13 resolutions approved in connection with Namibia which condemn the maneuvers of the South African racists in collusion with imperialism. These resolutions, the Cuban ambassador said, declare void the elections held recently by the Pretoria regime with the puppets of the so-called Democratic Turnhalle Alliance and proclaim armed struggle as the means to achieve the independence of that territory.

The General Assembly, he added, also recognized once again the role of the South-West African People's Organization--SWAPO--as sole and legitimate representative of the Namibian people.

In the same manner, Roa emphasized, the Camp David farce was isolated with the disclosure of its reactionary, anti-Arab and pro-imperialist nature. In this regard, he stressed that resolutions were adopted against any attempt to seek partial solutions to the Middle East problem or to disregard the Palestine Liberation Organization [PLO], the only and legitimate representative of the Palestinian people.

In general, he declared, it can be said that the initiatives of the nonaligned countries, with the support of the socialist states and other progressive forces, made their way at the assembly. The General Assembly, despite pressures exerted by the imperialists to prevent it, approved a resolution which condemns the massive use of force against defenseless people and censures the violation of Costa Rica's territorial integrity.

He also referred to the pressures of Western countries during this session aimed at preventing support of the international organization for the Palestinian people and PLO. I believe, he said in this regard, that one of the most significant victories gained this year was precisely the adoption of the resolution concerning UN Development Program (UNDP) assistance to the Palestinian people. As was opportunely charged at the economic committee, he said, the U.S. representatives exerted all sorts of pressures, and they even threatened to withdraw their support for the UNDP budget if the resolution were adopted. Even U.S. allies such as Saudi Arabia, Roa added, participated in debates at the economic committee to denounce the policy of blackmail and pressure employed by the U.S. Government.

The result, Roa Kouri concluded, was a bruising defeat for North American diplomacy and a decisive recognition of the PLO.

ROCA DISCUSSES UPCOMING ASSEMBLY MEETING AGENDA

FL270036Y Havana Domestic Service in Spanish 0000 GMT 27 Dec 78 FL

[Text] This year's second meeting of the People's Government National Assembly will take up matters of great importance, Blas Roca Calderio, member of the PCC Politburo and president of the National Assembly, told a press conference. Here is a report on the press conference by Lucia Gonzalez.

[Begin Lucia Gonzalez recording] In the meeting which will open on 28 Desember, the economic and social development single plan for 1979 and the state budget will be discussed. In this connection Blas Roca pointed out: This is of great importance because it deals with our economy's planning, on which all efforts will be focused so that the economy's development may begin and the direction of possible exports toward international markets may be determined.

During this meeting the draft of the penal code which will replace the Social Defense Code of 1936 will also be discussed as well as the law of military crimes and municipal laws. The National Assembly president announced that the working committees will submit their reports in this meeting, among them the one dealing with delayed collection of electricity bills and the situation [words indistinct] of the Playa Municipality. The temporary committee dealing with minors' crimes and other crimes related to traffic accidents and the construction committee will also render their reports. The latter one will report on repairs of dwellings and social and commercial structures.

Referring to the main event marking the 20th anniversary of the revolution's triumph, which will be held in the afternoon of 1 January with a solemn session of the National Assembly, Blas Roca stated: We are commemorating 20 years of victory, difficulties and heroism; years during which the revolution was consolidated; years during which our country gained the admiration of the peoples. These are victorious years for Cuba and for the progressive efforts of all peoples. [end recording]

VALDES ATTENDS MUNICIPAL GOVERNMENT ASSEMBLY SESSION

FL261131Y Havana Domestic Service in Spanish 1100 GMT 26 Dec 78 FL

[Text] Ramiro Valdes Menendez, member of the PCC Politburo and vice president of the Councils of State and Ministers, has attended the 10th ordinary session of the people's government municipal assembly in Artemisa.

Jesus Alvarez, president of the government organ in that Havana Province municipality, read the main report which contains the work undertaken from October to December and the work done by standing committees and the directorates of enterprises located in Artemisa. Matters concerning the current sugar harvest and implementation of the economic management and planning system and its prospects for 1979 also were discussed.

The people's government assembly session in Quivicán will be held tomorrow, Wednesday, at 1800 hours at the public health social club in that Havana Province municipality.

DORTICOS CHAIRS CITRUS QUALITY MEETING

FL251312Y Havana Domestic Service in Spanish 1145 GMT 25 Dec 78 FL

[Text] Osvaldo Dorticos, member of the PCC Politburo and vice president of the Council of Ministers, yesterday made the closing remarks at the first meeting on the quality of citrus fruits. The meeting began on 22 December and was held at the Camilo Cienfuegos Hall of the Academy of Sciences. A total of 70 reports concerning citrus production and export were presented at the meeting which was organized by the Agriculture Ministry and the national trade union of agricultural-livestock workers.

In his closing remarks, Dorticos discussed the imperative need to achieve an adequate quality in our country's export goods in order to compete in the international market. He added that development of a strong export economy depends on this objective which will thereby allow us to obtain foreign exchange for the country's economic development. Osvaldo Dorticos likewise emphasized the importance of and need for a standardization, metrology and quality control system in Cuba. He described the citrus quality meeting as a positive one because of its objectives and results.

GARCIA FRIAS TOURS MOA FORESTRY, MINING SECTORS

FL261312Y Havana Domestic Service in Spanish 1302 GMT 26 Dec 78 FL

[Text] Commander of the Revolution Guillermo Garcia Frias, member of the PCC Politburo and vice president of the Councils of State and Ministers, has made a working tour of the La Melba mountainous region in the mining municipality of Moa in Holguin Province.

During his visit to Moa, Garcia Frias was interested in the forestry resources of this rich zone on northeastern Holguin. The party leader had interesting exchanges of viewpoints on the zone's forestry resources with peasants and officials of the National Institute for Development and Use of Forests--INDAF. He was also interested in the status and fulfillment of investment plans of the mining-metallurgical development program in Moa. Garcia Frias was accompanied on the tour by PCC Central Committee alternate member Francisco Perez Olivera and other officials.

MACHADO VENTURA TOURS GRANMA FACTORIES

FL261124Y Havana Domestic Service in Spanish 1100 GMT 26 Dec 78 FL

[Text] PCC Politburo member Jose Ramon Machado Ventura has made an extensive tour of economic centers and projects under construction in Granma. He was accompanied by Emilio Loo Hernandez, member of the PCC Central Committee and party first secretary in that province.

The tour included the Juan Manuel Marquez sugar mill located in Media Luna, the yeast factory which will begin its first tests late this month and the bulk sugar terminal which will be completed on 30 December in tribute to the 20th anniversary of the triumph of the revolution. The workers at the modern battery factory in Manzanillo and at the sprinkler irrigation equipment factory had a long talk with party leader Machado Ventura during his tour of Granma Province municipalities.

COMMENCEMENT EXERCISES AT SCHOOL OF ECONOMICS REPORTED

FL270149Y Havana Domestic Television Service in Spanish 0100 GMT 27 Dec 78 FL

[Text] Commencement exercises of the third term of the National School of Economics were held in Havana City with the participation of the 230 graduates from the leadership, faculty and subdirectorates of the sector. The closing remarks were made by Humberto Perez, member of the PCC Central Committee and president of the Central Planning Board. Humberto Perez referred to some urgent problems being faced by the country's economy, which is mainly being affected by the high cost of products worldwide. During the event diplomas were presented to outstanding students in each type of course taught during the term.

PARTY PROPAGANDA SYMPOSIUM OPENS IN HAVANA

FL261053Y Havana Domestic Service in Spanish 1030 GMT 26 Dec 78 FL

[Text] A symposium on party propaganda and its role in party ideological work has begun in our capital with the participation of 140 representatives of 26 political and state organizations. Antonio Perez Herrero, member of the PCC Central Committee Secretariat, and Jose Felipe Carneado, chief of the party Department of Science, Culture and Education, chaired the opening session of the symposium. A total of 67 reports concerning propaganda and the party will be examined at the symposium which is being held at the Nico Lopez party school located on the outskirts of this capital. Orlando Fundora, chief of the Central Committee's Department of Revolutionary Orientation, stressed that the purpose of the symposium is to encourage research in the field of social sciences with the valuable contribution of professors of party schools and cadres and workers in the ideological field.

HAVANA URBAN TRANSPORTATION PROBLEM EXAMINED

FL251316Y Havana Domestic Service in Spanish 1145 GMT 25 Dec 78 FL

[Text] A critical analysis of the urban bus transportation problem and of other public services has been made at the third ordinary session of the people's government provincial assembly of Havana City. Reports were presented on the [Havana City] technical-economic plan and budget for 1979. The provincial assembly's work plan for 1979 also was introduced and approved. During the discussion of the transportation committee's report, the existing situation of urban bus transportation and taxi service was critically examined.

COMMERCIAL AGREEMENT WITH SPAIN EXTENDED

FL261119Y Havana Domestic Service in Spanish 1030 GMT 26 Dec 78 FL

[Text] Cuba and Spain have agreed to extend the existing commercial agreement between the two countries until 30 January 1979. Cuban Vice Minister of Foreign Trade Ricardo Cabrizas and his Spanish counterpart (Carlos Boustelo) signed the appropriate extension document in Madrid.

This new extension is due to the existence of disagreements concerning the (clean) [rendered in English] trade system whose elimination has been proposed by the Spanish side although the system has been a fundamental factor in Spanish exports to Cuba. Observers believe the month's extension of the agreement will help to clarify positions. Cuba considers Spain a traditional trading partner and wants it to continue being that, but it is necessary to establish adequate methods to allow expanded exchanges, states a PRENSA LATINA report.

Vice Minister of Foreign Trade Ricardo Cabrizas and the members of his delegation have left for our capital.

CUBA-YUGOSLAVIA COOPERATION AGREEMENT SIGNED IN BELGRADE

FI261047Y Havana Domestic Service in Spanish 1030 GMT 26 Dec 78 FL

[Text] A cooperation agreement between Yugoslavia and Cuba in the field of literature has been signed in Belgrade. Another protocol has been signed calling for cooperation between Yugoslav and Cuban musicians until 1980.

VOLUME OF BILATERAL TRADE WITH GDR DOUBLES

FI261747Y Havana Domestic Service in Spanish 1700 GMT 26 Dec 78 FL

[Text] Berlin--The German Democratic Republic and Cuba have doubled their volume of trade in the past 7 years, the foreign policy bulletin reports. The bulletin, published by the GDR Foreign Ministry, states that the annual volume of bilateral trade is nearly 1 billion marks. This year, it says, the GDR supplied equipment for the Cienfuegos cement plant which, once completed, will have a daily production capacity of 4,950 tons--the biggest in Latin America. The GDR this year also exported to Cuba textile and publishing industry machinery, equipment for electrical powerplants, telecommunication installations, fertilizers and rolled steel. Currently, it adds, specialists of the two countries are building Cuba's biggest flour mill.

VISTING ALBANIAN OFFICIAL SIGNS TRADE PROTOCOL

FI232029Y Havana Domestic Service in Spanish 2009 GMT 23 Dec 78 FL

[Text] Marcelo Fernandez Font, minister of foreign trade and member of the PCC Central Committee, attended at noon today the signing ceremony of a trade protocol for 1979 between the Republic of Cuba and the People's Socialist Republic of Albania. Signing for the Cuban side was Foreign Trade Vice Minister Manuel Estefania Seoane. Transportation Vice Minister (Jan Bileka) signed for the Albanian side. (Bileka) was accompanied by his country's charge d'affaires, (Preter Trasamatap). During his stay in Cuba, Vice Minister (Jan Bileka) was received by Foreign Trade Minister Marcelo Fernandez Font at his office in the ministry. Others attending the signing ceremony were the members of the Cuban and Albanian delegation.

COOPERATION PROTOCOL SIGNED WITH VIETNAM

FI251732Y Havana Domestic Service in Spanish 1700 GMT 25 Dec 78 FL

[Text] A protocol for economic, scientific and technical cooperation between Cuba and Vietnam for 1979 has been signed by Sergio del Valle, member of the PCC Politburo and of the Cuban Council of State, and Du Muoi, alternate member of the Politburo of the Communist Party of Vietnam and vice premier of the Government of the Socialist Republic of Vietnam.

Sergio del Valle expressed his satisfaction with the conclusion of this phase of intensive, serious and responsible work which led to the signing of the protocol. He also expressed his conviction on the practical results to be obtained from the protocol for both sides. He likewise predicted that future expansion of this cooperation also will be of mutual benefit. The Politburo member emphasized the importance of the steps which have materialized once again the proletarian internationalism traditionally practiced between Cuba and Vietnam.

SOVIET MARSHAL SOKOLOV TO VISIT CUBA

FI261206Y Havana Domestic Service in Spanish 1145 GMT 26 Dec 78 FL

[Text] Soviet Marshal Sergey Sokolov, first deputy defense minister of the USSR, will visit our country late this month in response to an invitation from army Gen Raul Castro, second secretary of the PCC Central Committee and minister of the Revolutionary Armed Forces.

ARGENTINE COMMUNIST LEADERS VISIT CTC

FI261140Y Havana Domestic Service in Spanish 1100 GMT 26 Dec 78 FL

[Text] A Communist Party of Argentina delegation composed of party Secretary General Arnedo Alvarez and Politburo member (Pedro Fabrioli) has visited the Central Organization of Cuban Workers (CTC). The visitors were received by Roberto Veiga, member of the PCC Central Committee and secretary general of the CTC, who briefed them on the recently held 14th CTC Congress.

VISITING SRV OFFICIAL REAFFIRMS SOLIDARITY

FI262058Y Havana Domestic Service in Spanish 1913 GMT 26 Dec 78 FL

[Excerpt] Du Moi, alternate member of Vietnam's Communist Party Politburo and chief of the high-level delegation of the Socialist Republic of Vietnam to the festivities marking the 20th anniversary of the Cuban revolution's triumph, this morning granted a press conference. The Vietnamese leader, who is vice prime minister of Hanoi's government, stated that during his stay in our country he has visited many places, and verified once more that the Cuban revolution is invincible and that the Vietnamese solidarity with Cuba is immortal.

He recalled that Vietnam and Cuba are two nations struggling against a common enemy and for the same objectives, and added that their two peoples have been united for a long time now in combative solidarity and fraternal friendship. Du Moi also stated that his country is pleased to observe Cuba's active efforts to safeguard the objectives and principles of the nonaligned countries movement.

He noted that North American imperialism and Peking's reactionary ruling group are trying to attack Cuba by distorting its correct foreign policy and internationalist solidarity pronouncements. Elsewhere in his press conference, Du Moi stressed that Vietnam is continuously making efforts to strengthen still more the relations of solidarity, friendship and cooperation with the Soviet Union, Cuba and other socialist countries.

PRD LEADER HOLDS TALKS WITH DUVALIER

FL192239Y Santo Domingo Domestic Service in Spanish 2200 GMT 19 Dec 78 FL

[Text] The president of the Dominican Revolutionary Party [PRD] today revealed that he recently had a meeting with Haitian President Jean-Claude Duvalier in his private residence in Port au Prince. Dr Salvador Jorge Blanco said he made a private visit to Haiti accompanied by industrialist (Popi Bermudez) and banker (Alejandro Grullon). He explained that the purpose of the trip was to request permission from the Haitian Government for the airline owned by (Popi Bermudez) to make at least four weekly flights to that neighboring country. He indicated that increased flights to the neighboring republic would expand domestic tourism and trade in the city of Santiago de los Caballeros. [as heard]

Jorge Blanco added that his delegation met with President Duvalier and his private secretary. He reported that the Haitian chief of state and his secretary were very interested in Dominican economic, cultural and political (ties). Jorge Blanco said he took advantage of the opportunity to inform the Haitian chief of state of the changes that have taken place in this country from 16 August to date in the political, governmental and administrative fields. The political leader added that no official matters were discussed during his visit.

VENEZUELAN PRESIDENT TO PAY OFFICIAL VISIT

PA262309Y Buenos Aires LATIN in Spanish 1656 GMT 26 Dec 78 PA

[Excerpts] Santo Domingo, 26 Dec (LATIN)--Foreign Minister Vice Adm Ramon Emilio Jimenez has announced that Venezuelan President Carlos Andres Perez will arrive in Santo Domingo tomorrow for an official visit. Jimenez said the Venezuelan president's visit will last approximately 12 hours. He will arrive at 0900 and will depart at night.

President Perez will be accompanied by Venezuelan Foreign Minister Consalvi; Carmelo Lauria, secretary of the presidency; Hector Hurtado, president of the Venezuelan Investment Fund; and Manuel Perez Guerrero, minister of state for international economic affairs.

He announced that Presidents Perez and Antonio Guzman will hold a working meeting to discuss matters of interest to the two countries, especially to the Dominican Republic.

BRIEFS

UNFAVORABLE TRADE BALANCE--Santo Domingo, 22 Dec (AFP)--According to a Central Bank report released today, due to the low price of sugar on the international market, declining coffee prices and rising import prices, the Dominican Republic had a negative trade balance of \$117.4 million during the first 8 months of 1978. During that period exports amounted to \$486.3 million and imports to \$603.7 million. The foreign debt grew by 3.5 percent, the government being the principal debtor. [Paris AFP in Spanish 1555 GMT 22 Dec 78 PA]

AIR TRAVEL AGREEMENT SIGNED WITH USSR

FL261430Y Kingston DAILY GLEANER in English 21 Dec 78 p 1 FL

[Text] An air travel agreement which allows for the operation of scheduled flights between Jamaica and the Soviet Union (USSR) was signed yesterday afternoon by the two governments at the Ministry of Public Utilities, New Kingston.

A news release from the Agency for Public Information [API] said that Mr. Derrick Heaven, parliamentary secretary in the Ministry of Foreign Affairs, signed on behalf of the Jamaican Government, while Mr. Sergei Pavlov, deputy minister of the Russian Ministry of Civil Aviation, signed on behalf of the Soviet Government.

"This agreement has come as a result of Jamaica's attempt to broaden its market for tourism and to establish air links with the world's largest country and airline, Aeroflot," API said.

It was also hoped that the agreement would allow for wider areas of economic co-operation between the two countries as well as open up other areas of travel, the release said.

PACKAGE TOURS ARRANGED IN COOPERATION WITH CUBA

FL221505Y Kingston DAILY GLEANER in English 20 Dec 78 p 29 FL

[Excerpts] Jamaica is now playing host to tourists from the USA and Puerto Rico in collaboration with Cuba, through package tours arranged by the neighbouring republic.

The "packages" are part of the joint agreement entered into between the two countries to co-operate in the field of tourism.

Mr. Omar Garcia, first secretary in the Cuban Embassy, said this at a press conference called yesterday by the parliamentary secretary in the Ministry of Foreign Affairs, Mr. Derrick Heaven. He said that already Jamaica was benefiting from the agreement.

In response to a further question, the Cuban first secretary said that the same arrangement would apply to tourists coming to Cuba from Europe. They would stop in Jamaica as part of the package and in that way Jamaica would be able to participate in the arrangement.

Mr. Garcia said that in entering into the tourism co-operation agreement with Jamaica, Cuba wishes and fully intends to work in collaboration with Jamaica at all times. "We do not wish to develop to the detriment of Jamaica, and so we take Jamaica fully into account in planning these package tours."

He said Jamaica would similarly take Cuba fully into consideration in planning some of its package tours.

Mr. Garcia said the agreement by Jamaica and Cuba to co-operate in the arrangement of package tours arose from the fact that they felt tourists would like to include either place among the stopping points on their tour.

In giving his report on the co-operation agreement, Mr. Heaven said that both countries had established a joint task force which had been functioning for approximately one year.